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SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

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November 4, 1983

OCTOBER 1983 MONTHLY REPORT

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

CONSUMER OPTIMISM MAINTAINED

** In the October 1983 survey, the Index of Consumer Sentiment was 89.3, just below the 89.9 recorded one month earlier, and the cyclical peak of 93.9 recorded three months earlier. Following the rapid improvement in early 1983, a broad range of consumer attitudes and expectations have receded slightly from the mid-year peaks. This reflects a slowing in the expected pace of improvement in the economy as the recovery period lengthens. Overall, these small declines from peak levels do not detract from the otherwise very favorable levels of consumer attitudes and expectations.

** Among families with incomes of $25,000 and over, the Index of Consumer Sentiment was 101.9 in October, just below the 102.3 recorded in September, and the 106.5 peak recorded in July 1983.

** Reports that the economy had improved during the past year rose to 66 percent in the October 1983 survey, a higher proportion than recorded following any of the prior six recessions during the past thirty years.

** Consumers also remained very optimistic about the future course of the economy, although their responses indicated a slower rate of improvement was expected. Among all families, 58 percent expected good times financially in the economy as a whole during the next twelve months, just below the 65 percent recorded in the May 1983 survey, but substantially above the 36 percent recorded one year earlier.

** Favorable attitudes toward buying conditions for houses, vehicles, and household durables were held by the majority of consumers in the October 1983 survey. Although house and car-buying attitudes have declined somewhat since their mid-year peak, due to increasing concern with interest rates, buying attitudes nonetheless remained at very favorable levels. More families in October 1983 reported intentions to purchase new vehicles during the year ahead than in any prior survey (17 percent).

** The proportion of families that reported their financial situation had improved over the prior year fell somewhat in the October survey to 36 percent from 38 percent one month earlier and 40 percent three months earlier. The primary reason involved fewer reports of family income increases, down to 28 percent from 34 percent one year earlier. Consumers remained optimistic about their future financial prospects, with 37 percent expecting improvement compared with 13 percent that expected declines.

* * *

The rapid improvement in consumer optimism earlier in the year together with its subsequent maintenance at favorable levels point toward a continued robust recovery in consumer sales through mid 1984.

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Rapid Pace of Recovery Expected to Moderate

The majority of consumers since mid-1983 have reported both an ongoing recovery in the economy, and the expectation that the economic expansion would continue through the year ahead. The pace of improvement in evaluations of both current and expected economic conditions, however, has slowed, as evaluations reached record favorable levels.

By the start of 1983, consumers had experienced more than five years of growing economic adversity: rising and then double digit inflation, followed by record high interest rates and double digit unemployment rates. After this prolonged period of economic adversity, consumers became increasingly habituated to news of unfavorable economic developments. Consumer reaction to news of each additional unfavorable development declines with habituation, unless the development represents a significant and unexpected further deterioration in the economy. Just as attention to news of unfavorable developments falls with habituation, attention to news of favorable development is thereby increased. When the economy began to recover in 1983, habituation helped minimize the importance of ongoing unfavorable economic trends, and helped magnify the importance of news of favorable developments. In addition, the favorable developments reported by consumers in 1983 were widely expected, as measured by earlier surveys, which also acted to focus perceptions on favorable developments. As a result, by mid-1983, the consumer surveys established a new all-time record level of favorable perceptions of recent changes in the economy.

Reports that overall business conditions had improved during the past year were given by 66 percent of all families in the October 1983 survey, a higher proportion than recorded following any of the prior six recessions during the past 30 years. Initially the pace of improvement was rapid, with

the proportion of families reporting improved business conditions rising from just 16 percent in January 1983 to 62 percent in the May 1983 survey. Since May only small, but record-setting, increases have been recorded in favorable evaluations of current business conditions. News of favorable economic developments was heard and recalled somewhat less frequently by families in the October 1983 survey (63 percent) than at mid-year (83 percent), but substantially more frequently than recorded one year earlier (39 percent). Reports of lower interest rates and easier credit conditions fell to 7 percent in the October survey, from 17 percent one year earlier. The sharp increase in favorable reports of economic developments during early 1983 as well as the subsequent small decline involved references to employment and unemployment trends. References to increased employment rose from 5 percent in October 1982 to 23 percent in October 1983, but were below the 31 percent recorded in the June 1983 survey. During the past year, reports of news heard of increases unemployment fell from 48 percent in October 1982 to 11 in September, but rose to 18 percent in the October 1983 survey. On balance, consumers expected the unemployment rate to decline during the year ahead, although the margin of favorable opinion has narrowed somewhat during the past several months. In the October 1983 survey, unemployment was expected to decline rather than increase by a margin of 35 versus 20 percent. While these figures continue to represent a favorable outlook, the balance of favorable opinion has narrowed since the more than three-to-one margin recorded in May (42 versus 13 percent).

Consumers remained very optimistic about the future course of the economy, but their responses indicated that a slower rate of improvement was also expected. Among all families, 46 percent expected business conditions to improve during the year ahead in October, below the all-time record level of

55 percent recorded in May, but above the 40 percent recorded one year earlier. Just 11 percent of all families expected a worsening economy, up from 10 percent one month earlier, but well below the 20 percent recorded one year earlier.

The improvement in unemployment expectations during early 1983, and their subsequent small decline has been the primary factor behind the recent trends in prospects for the economy as a whole. Among all families, 58 percent expected good times financially in the economy as a whole during the next 12 months, just below the 65 percent recorded in the May 1983 survey, but substantially above the 35 percent recorded one year earlier.

The expected moderation in the pace of recovery also reflects rising concern with interest rates. Increases in interest rates were expected during the year ahead by 43 percent of all households in the October 1983 survey just below the 44 percent recorded in September, but about twice the 22 percent recorded one year earlier. Declines in interest rates were expected by only 19 percent of all households in the October 1983 survey, just above the 20 percent recorded one month earlier, but less than half of the 48 percent recorded one year earlier. This growing concern has left interest rate expectations less favorable than at any other time during the preceding two years.

Buying Conditions

In the October 1983 survey, unlike one year earlier, the majority of consumers favorably rated buying conditions for large household durables (65 percent, up from 46 percent), vehicles (59 percent, up from 44 percent), and houses (55, up from 32). The rapid improvement recorded during the past year has been due to lower prices and lower interest rates. The October 1983 survey did record small declines in favorable buying attitudes from the mid-

year peaks, due to increased concern about whether the lower interest rates and prices will be maintained.

Favorable attitudes toward buying conditions for houses were held by 55 percent of all families in the October 1983 survey, down from 59 percent in September, and the record peak of 66 percent in June. From the peak in June to the October 1983 survey, mentions of the availability of low mortgage rates fell from 61 to 38 percent, while references to high mortgage rates rose from 23 to 29 percent. Perceptions of market prices for houses remained favorable in the October 1983 survey, even if somewhat less favorable than at mid-year, and stand in sharp contrast to the preceding 20 years when unfavorable perceptions of house prices predominated.

Favorable car buying attitudes were held by 59 percent of all families in the October 1983 survey, just below the 61 percent recorded in September, and the record peak of 66 percent recorded in May and June 1983. The recent decline in favorable car buying attitudes is minor, since even the 59 percent level recorded in October is higher than at any other time prior to 1983. The small decline from the mid 1983 peak has been partly due to less frequent references to low interest rates, declining from 40 percent in June to 19 percent in October 1983. In addition, the October survey recorded a rise in unfavorable perceptions of market prices for vehicles. From September to October 1983, the proportion of families that mentioned the availability of low prices or discounts fell from 28 to 22 percent, while the frequency of complaints of high prices rose from 20 to 25 percent. These shifts partially reflect initial reactions to the introduction of the higher priced 1984 models, along with fewer rebate and interest rate incentive plans. Interestingly, the 22 percent that mentioned the availability of low car prices in the October 1983 survey was the lowest proportion recorded in nearly

two years, while references to buying in advance of expected increases in vehicle prices rose to 17 percent in the September and October surveys, the highest level in more than two years.

Following the steep rise in favorable attitudes toward car market conditions earlier in the year, vehicle purchase intentions had risen to record levels by the Fall of 1983. Among all families, 29 percent reported that they intended to purchase a vehicle during the year ahead, up from 23 percent one year earlier. Importantly, 17 percent of all families reported that they intended to purchase a new vehicle, the highest proportion ever recorded. Prior to this time, the highest proportion to hold purchase intentions for new vehicles was 15 percent, recorded at the cyclical peaks in the early and late 1970s, and earlier in 1983.

Buying conditions for large household durables were viewed favorably by 65 percent of all families in the October 1983 survey, just below the peak of 67 percent recorded three months earlier. More than twice as many families in the October survey cited the appeal of lower prices than mentioned their aversion to high prices for household durables (33 versus 14 percent), a more favorable view than recorded one year earlier (28 versus 18 percent). Buy-in-advance price rationales also increased during the past year, rising to 21 percent in October 1983 from 14 percent one year earlier. While buy-in-advance rationales have increased in frequency for household durables and vehicles, when consumers were asked to evaluate market conditions for houses, advance buying rationales were only marginally greater in frequency in October 1983 than one year earlier (5 to 9 percent).

Improved Personal Finances Support Spending Plans

The financial situation of American families improved substantially during the past year. In the October 1983 survey, for the seventh consecutive

month, more families reported that their financial situation had improved rather than worsened during the past year, in sharp contrast to the prior three years when unfavorable evaluations predominated. Among all families in the October survey, 36 percent reported that their financial situation had improved during the past year, down somewhat from the high of 40 percent recorded three months earlier. Unfavorable evaluations of their financial situation were reported by 32 percent of all families in the October 1983 survey, up from 29 percent three months earlier.

Consumers remained optimistic about future changes in their personal financial situation. Among all families, 37 percent expected improvement in their personal financial situation during the year ahead in the October 1983 survey, down somewhat from the peak of 43 percent in the May survey. Just 13 percent of all families expected a worsening financial situation in October, up from a low of 6 percent in the May survey, but below the 16 percent recorded one year earlier.

Compared with one year earlier, income expectations have declined by a small amount, and have become somewhat more concentrated in the 1-5% range. Among all families, just a marginally higher proportion expected their income to remain unchanged or to decline (39 percent) in the October 1983 survey compared with one year earlier (37 percent). The proportion of families that expected income increases of 6% or more was 32 percent in the October 1983 survey, down from 37 percent one year earlier, while the proportion of families that expected increases of 1-5% was 21 percent in the October survey, up from 16 percent one year earlier.

On average, consumers expected an annual rate of inflation of 5.2% in the October 1983 survey, up from 5.0% one month earlier, but below the 6.2% recorded one year earlier. The steep three year decline in price

expectations, coupled with the relative maintenance of nominal income expectations, has resulted in greatly improved real income expectations. When the expected rate of inflation reached the all-time peak of 11.9% in the first quarter of 1980, only one family in five expected their income to increase by a larger amount. By October 1983, when the expected inflation rate was 5.2%, one-third of all families expected higher income increases.

* * *

The October 1983 survey was conducted between September 26, 1983 and October 26, 1883, and included 689 completed interviews.

TABLES AND CHARTS

OCTOBER 1983

The October 1983 survey is the 181st in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

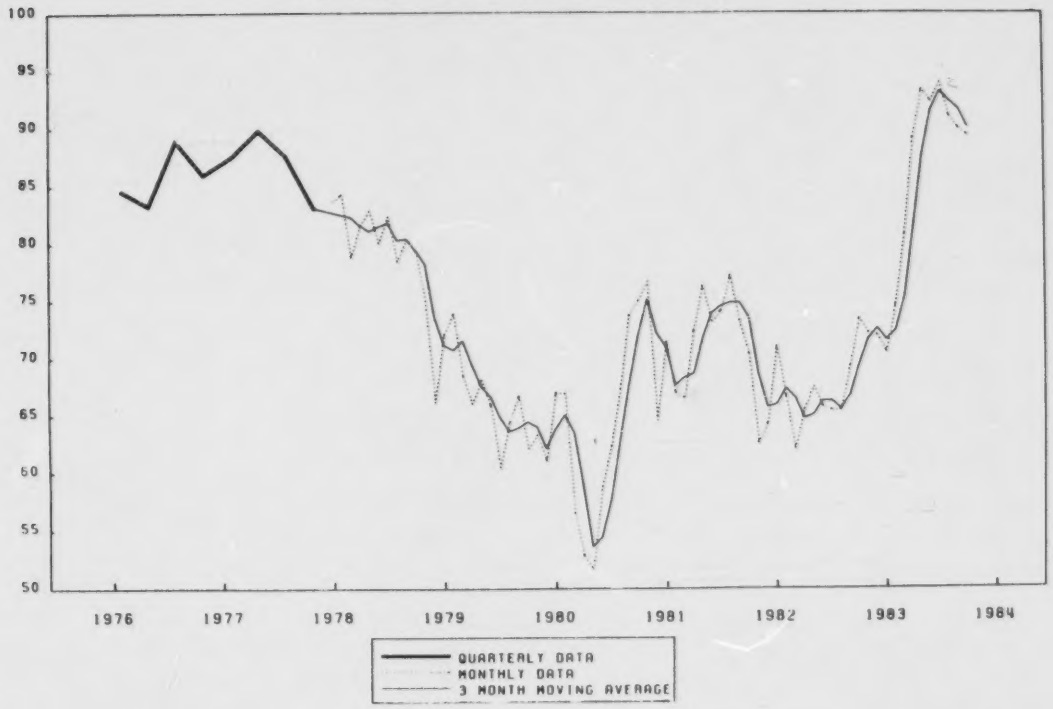

CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

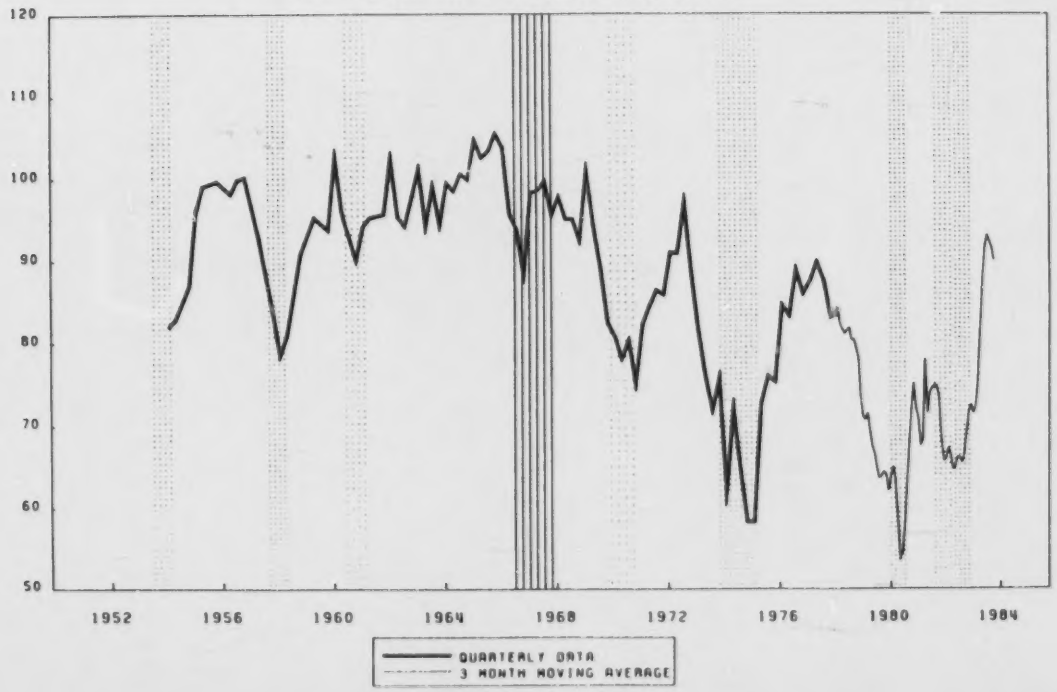

TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	All families	Families with incomes over $20,000	Families with incomes over $25,000
October 1980	75.0	76.3	78.7
November 1980	76.7	82.7	87.5
December 1980	64.5	66.9	68.6
January 1981	71.4	74.8	77.1
February 1981	66.9	74.2	77.5
March 1981	66.5	72.1	73.7
April 1981	72.4	77.1	78.0
May 1981	76.3	80.8	85.0
June 1981	73.1	81.2	82.9
July 1981	74.1	80.8	82.1
August 1981	77.2	82.7	85.0
September 1981	73.1	75.2	73.3
October 1981	70.3	74.5	77.9
November 1981	62.5	67.2	66.3
December 1981	64.3	71.0	71.1
January 1982	71.0	77.9	77.8
February 1982	66.5	71.5	72.8
March 1982	62.0	67.0	67.9
April 1982	65.5	71.5	73.2
May 1982	67.5	72.7	74.8
June 1982	65.7	71.4	72.9
July 1982	65.4	68.9	69.2
August 1982	65.4	71.0	73.6
September 1982	69.3	78.4	81.1
October 1982	73.4	77.5	80.9
November 1982	72.1	79.3	81.1
December 1982	71.9	78.0	80.5
January 1983	70.4	78.2	78.8
February 1983	74.6	79.9	81.3
March 1983	80.8	88.4	88.9
April 1983	89.1	97.1	99.0
May 1983	93.3	99.6	101.0
June 1983	92.2	101.2	102.5
July 1983	93.9	104.4	106.5
August 1983	90.9	101.2	103.5
September 1983	89.9	99.0	102.3
October 1983	89.3	99.5	101.9

CHART 2A - HISTORICAL SERIES

INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

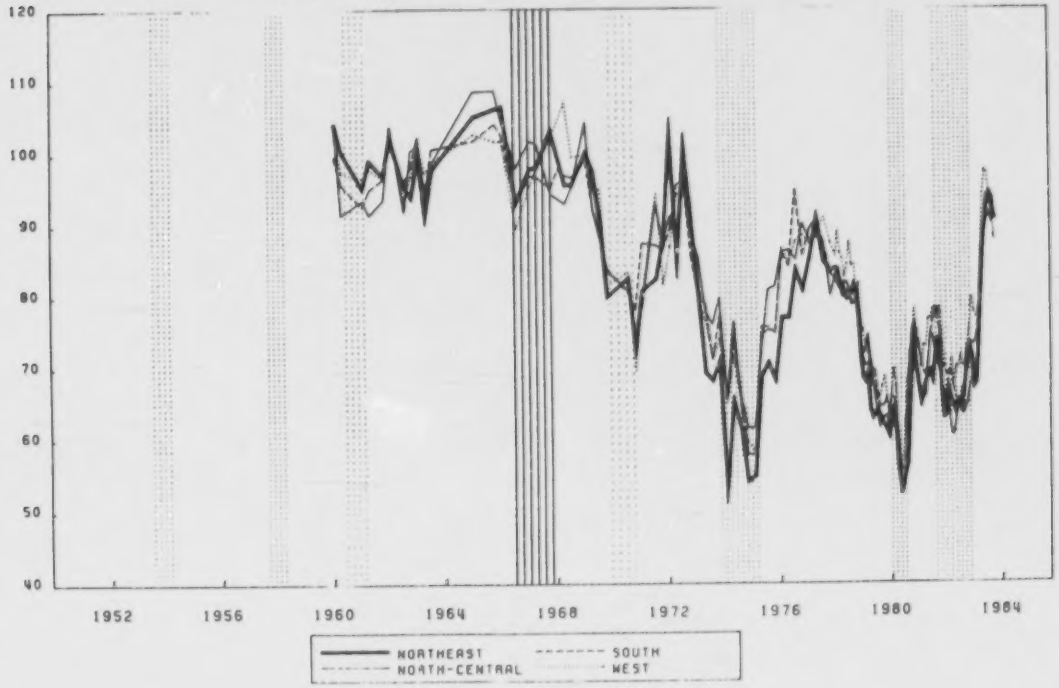

CHART 2B - HISTORICAL SERIES

INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

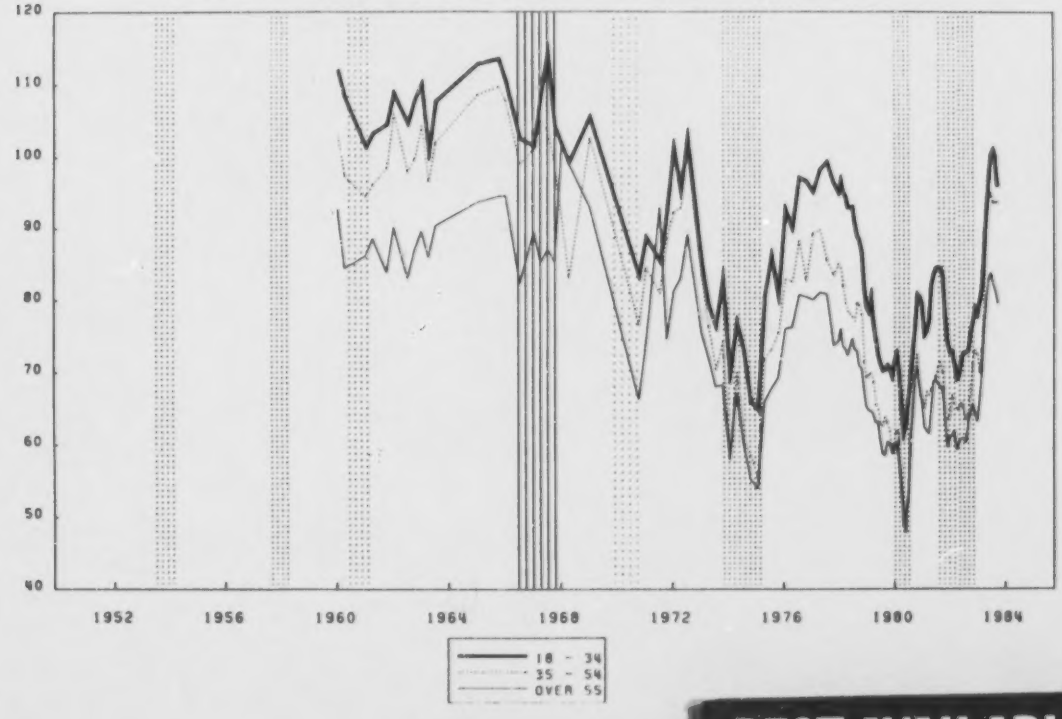

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TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

DATE OF SURVEY	CENSUS REGION				AGE OF RESPONDENT		
	North East	North Central	South	West	18-34	35-54	55+
October 1980	75.7	70.2	79.1	73.1	80.2	70.2	74.0
November 1980	71.1	76.2	77.3	81.9	85.3	73.5	70.3
December 1980	62.3	59.9	69.3	64.6	76.0	56.7	60.1
January 1981	68.2	70.9	72.5	74.4	77.2	70.2	67.9
February 1981	64.5	62.6	70.2	70.8	72.5	68.4	59.6
March 1981	66.5	62.6	64.9	73.7	77.3	63.9	58.4
April 1981	72.6	72.7	71.0	74.2	81.5	68.3	66.9
May 1981	66.8	76.6	77.5	82.2	87.7	71.2	70.0
June 1981	68.5	74.0	75.2	73.8	81.7	67.0	69.6
July 1981	68.9	72.2	76.5	78.1	84.2	70.6	67.6
August 1981	77.0	70.1	83.2	79.2	87.8	75.0	67.9
September 1981	75.1	69.9	72.4	76.6	81.4	68.8	69.2
October 1981	67.9	68.2	68.9	79.0	80.7	65.9	64.8
November 1981	55.8	64.7	61.1	68.8	71.3	59.6	57.7
December 1981	65.0	65.3	64.4	61.6	70.9	65.3	56.7
January 1982	68.8	67.3	72.0	76.2	76.6	67.4	68.5
February 1982	65.9	60.6	71.8	68.8	71.5	66.3	59.0
March 1982	60.5	55.8	64.7	68.2	65.5	61.4	58.8
April 1982	67.2	64.6	65.0	65.8	70.6	65.5	60.4
May 1982	62.4	66.5	66.6	75.7	72.7	67.6	62.0
June 1982	65.4	65.0	64.9	68.6	72.4	64.4	60.3
July 1982	65.1	64.0	63.5	71.1	73.4	63.3	60.6
August 1982	68.1	60.6	64.0	70.6	72.6	62.9	60.2
September 1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October 1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November 1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December 1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January 1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February 1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March 1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April 1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May 1983	88.3	90.7	93.3	102.7	97.2	97.1	84.9
June 1983	95.1	88.7	92.5	94.1	97.8	94.4	83.9
July 1983	98.3	93.8	89.9	94.3	106.0	93.6	83.0
August 1983	89.6	92.0	91.3	89.6	99.2	92.9	80.0
September 1983	92.6	87.8	89.3	90.8	94.8	94.5	80.9
October 1983	89.9	83.7	91.5	93.5	94.2	93.8	77.8

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

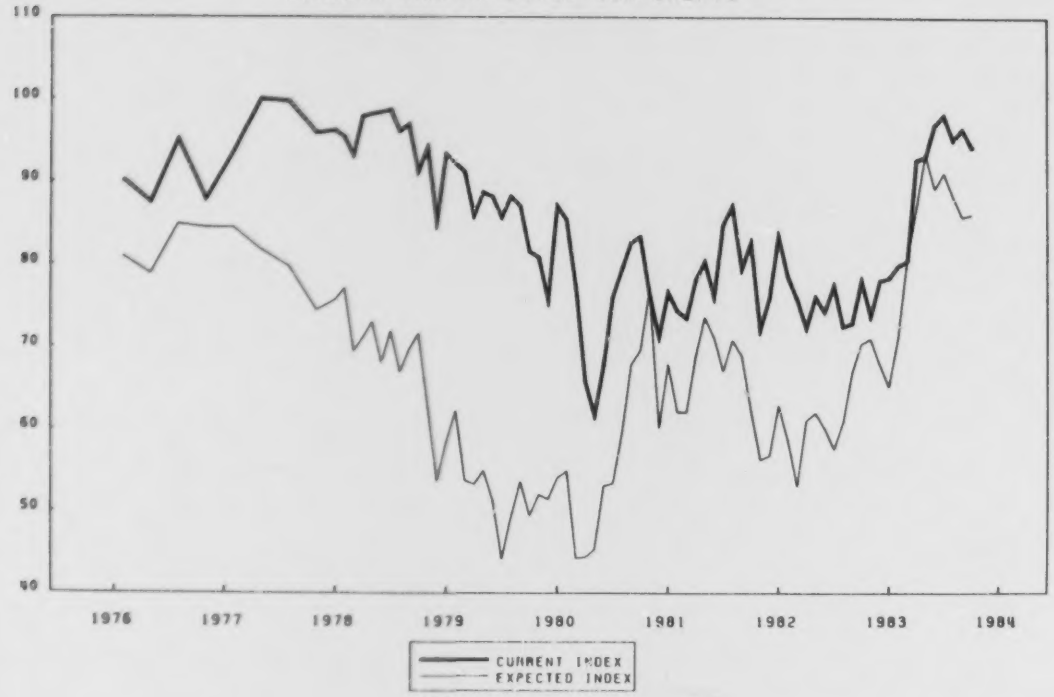


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

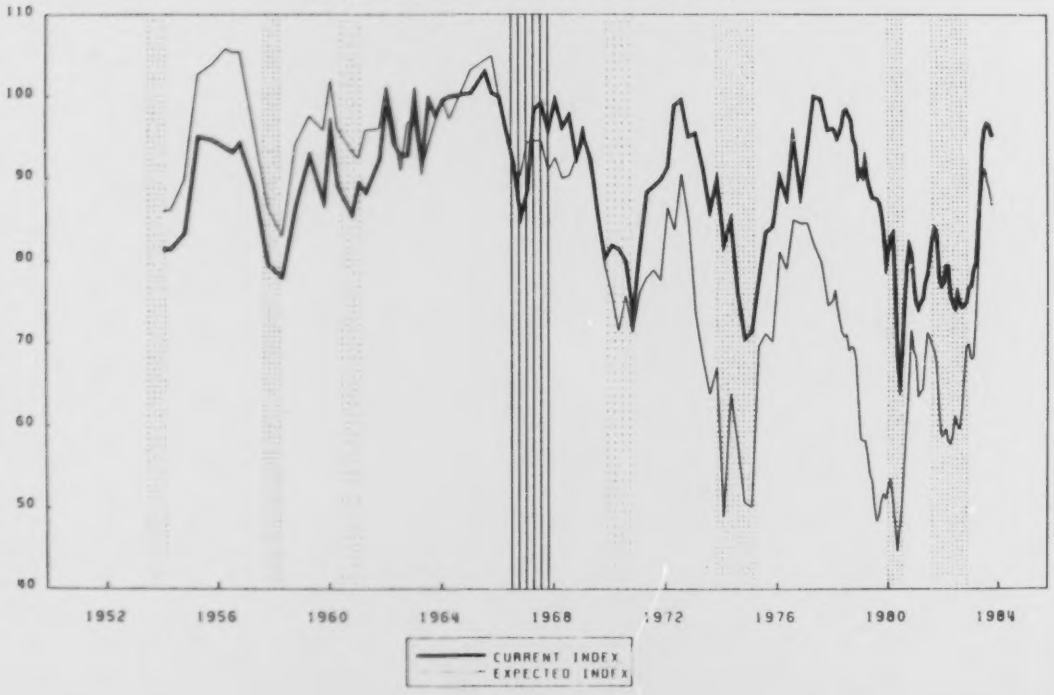


TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	INDEX COMPONENTS +						
	Personal finances		Business conditions				
	Current (1)	Expected (2)	12 months (3)	5 years (4)	Buying conds. (5)	Current Index (1,5)	Expected Index (2,3,4)
October 1980	90	108	84	83	123	83.4	69.6
November 1980	83	118	94	93	112	76.4	76.9
December 1980	77	100	64	73	104	71.2	60.2
January 1981	80	109	78	81	116	76.7	67.9
February 1981	80	106	64	73	109	74.4	62.1
March 1981	86	104	68	72	101	73.5	62.1
April 1981	79	111	83	78	121	78.1	68.8
May 1981	95	118	92	81	111	80.4	73.6
June 1981	89	113	91	78	104	76.1	71.2
July 1981	99	114	81	70	118	84.9	67.1
August 1981	100	117	92	72	123	87.1	70.8
September 1981	94	113	80	80	109	79.5	69.0
October 1981	95	110	68	67	117	82.7	62.3
November 1981	85	110	54	56	99	72.1	56.3
December 1981	94	110	54	61	101	75.9	56.8
January 1982	92	115	66	70	124	83.5	62.9
February 1982	91	112	56	65	111	78.6	58.7
March 1982	89	106	44	60	106	75.9	53.1
April 1982	87	111	62	70	99	72.3	61.1
May 1982	94	113	62	72	102	76.1	62.0
June 1982	92	116	58	65	99	74.3	60.1
July 1982	90	113	53	63	110	77.5	57.6
August 1982	89	110	64	69	97	72.5	60.9
September 1982	89	116	76	74	98	72.9	66.9
October 1982	95	119	79	83	106	78.1	70.4
November 1982	85	121	77	86	105	73.8	71.0
December 1982	90	117	74	80	111	78.1	67.9
January 1983	91	115	76	69	111	78.4	65.2
February 1983	89	117	87	81	117	79.9	71.2
March 1983	92	126	113	85	115	80.5	80.9
April 1983	108	131	120	99	131	92.7	86.9
May 1983	101	137	139	100	139	93.1	93.4
June 1983	110	128	134	97	141	96.9	89.2
July 1983	111	126	136	104	143	98.1	91.1
August 1983	106	124	130	100	140	95.1	88.2
September 1983	109	125	125	95	140	96.4	85.8
October 1983	104	124	124	98	140	94.3	86.1

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

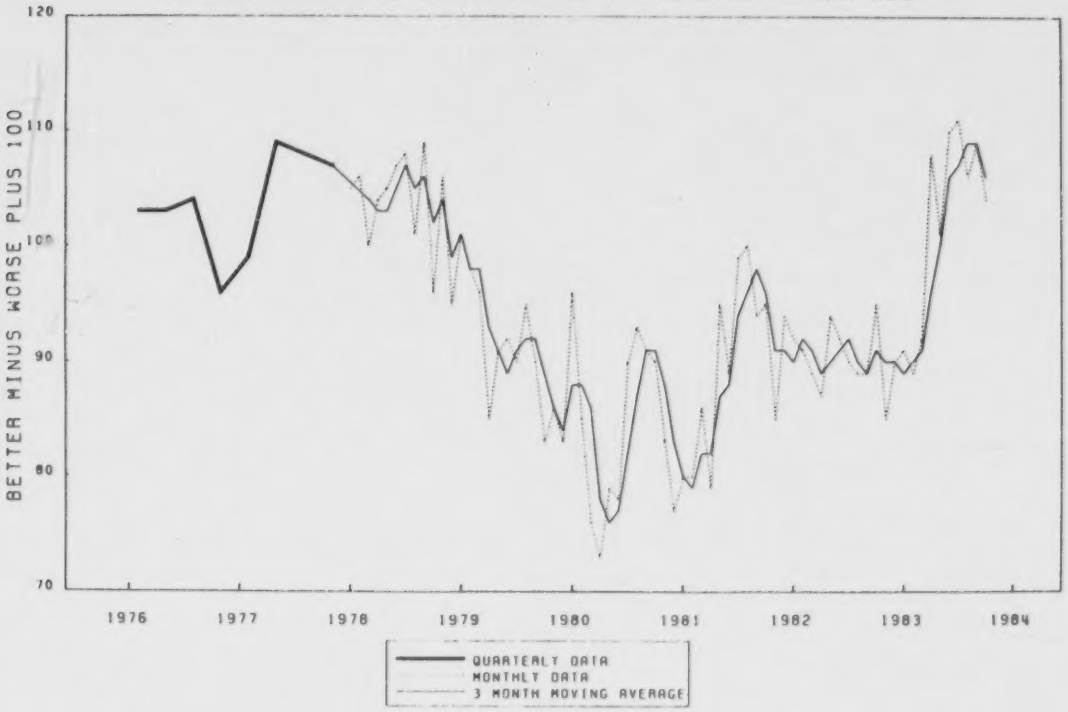


CHART 4 - HISTORICAL SERIES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
BETTER OFF	34%	31%	28%	29%	30%	31%	39%	34%	38%	40%	36%	38%	36%
SAME	27	23	34	33	29	30	30	33	33	31	34	33	32
WORSE OFF	39	46	38	38	41	39	31	33	28	29	30	29	32
DK,NA	*	*	*	*	*	*	*	*	1	*	*	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES

REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

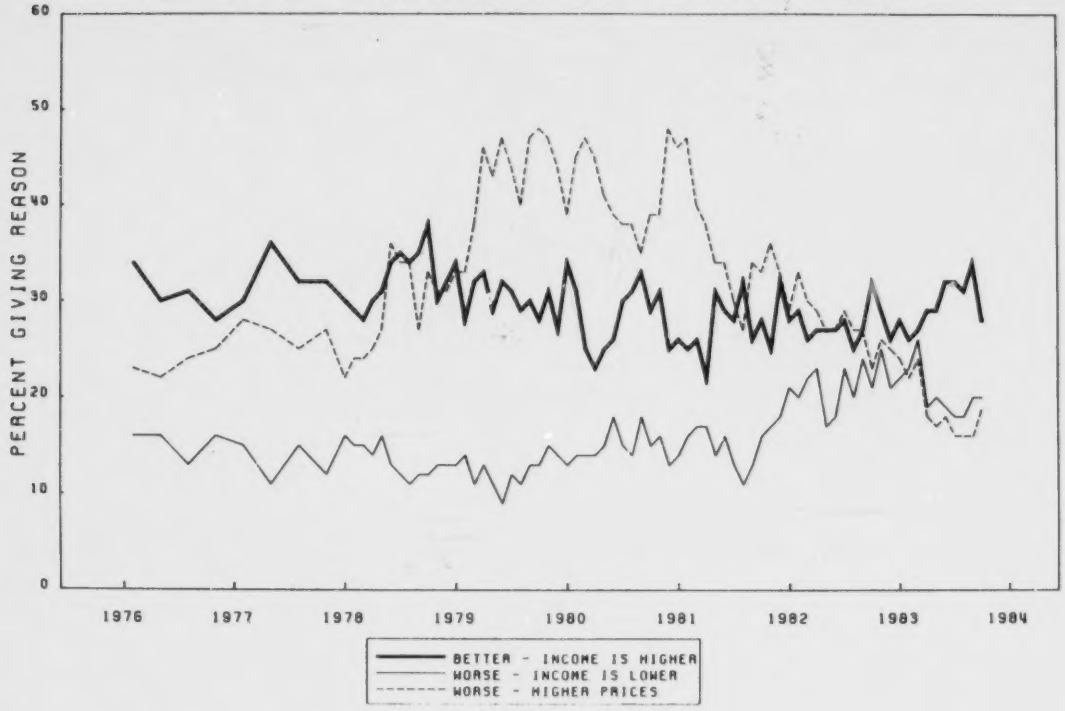


CHART 5 - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

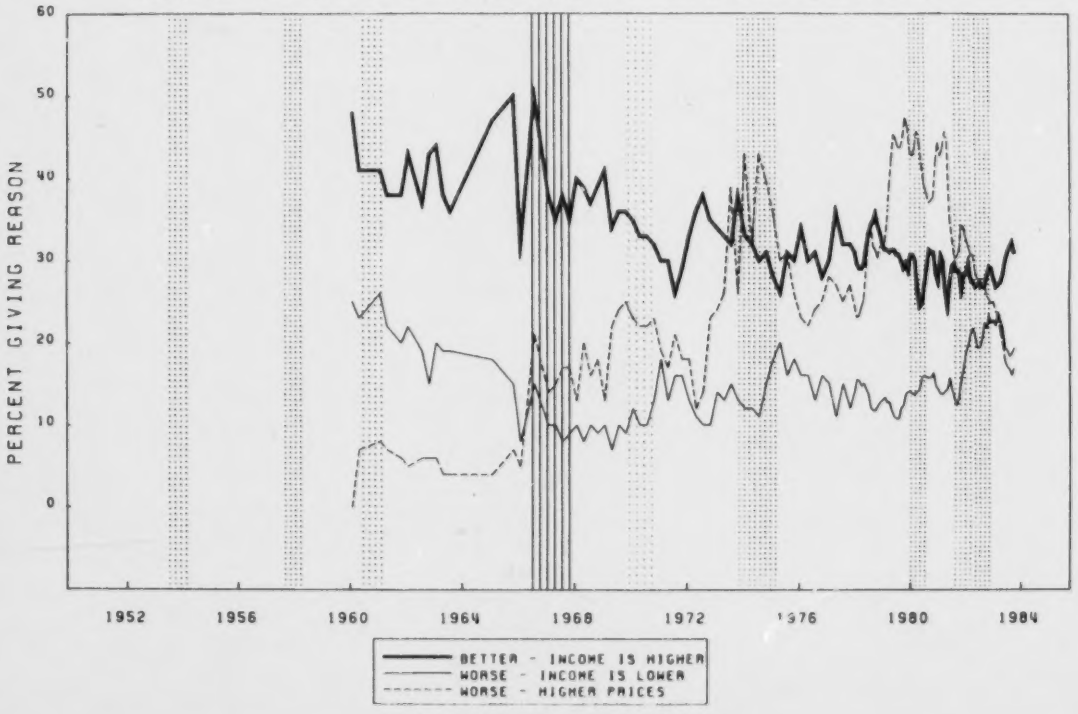


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
BETTER OFF THAN YEAR AGO:													
Income is higher	32%	29%	26%	28%	26%	27%	29%	29%	32%	32%	31%	34%	28%
WORSE OFF THAN YEAR AGO:													
Income is lower	21	25	21	22	23	26	19	20	19	18	18	20	20
Higher prices	23	26	25	24	22	24	18	17	18	16	16	16	19

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES

EXPECTED CHANGE IN FINANCIAL SITUATION

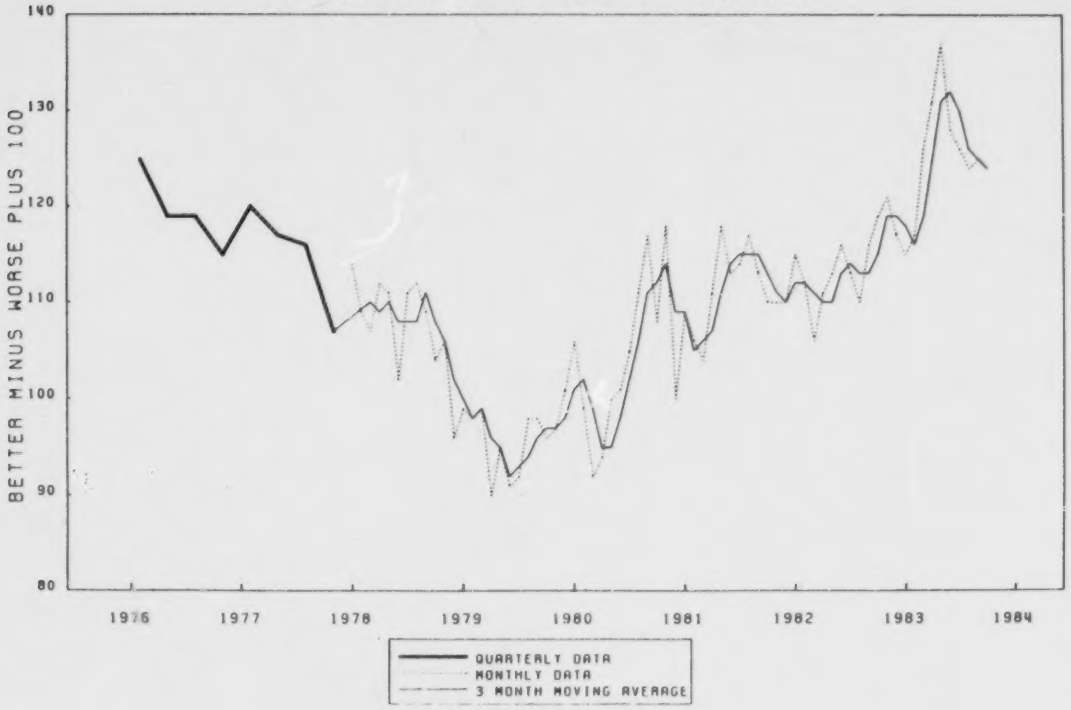


CHART 6 - HISTORICAL SERIES

EXPECTED CHANGE IN FINANCIAL SITUATION

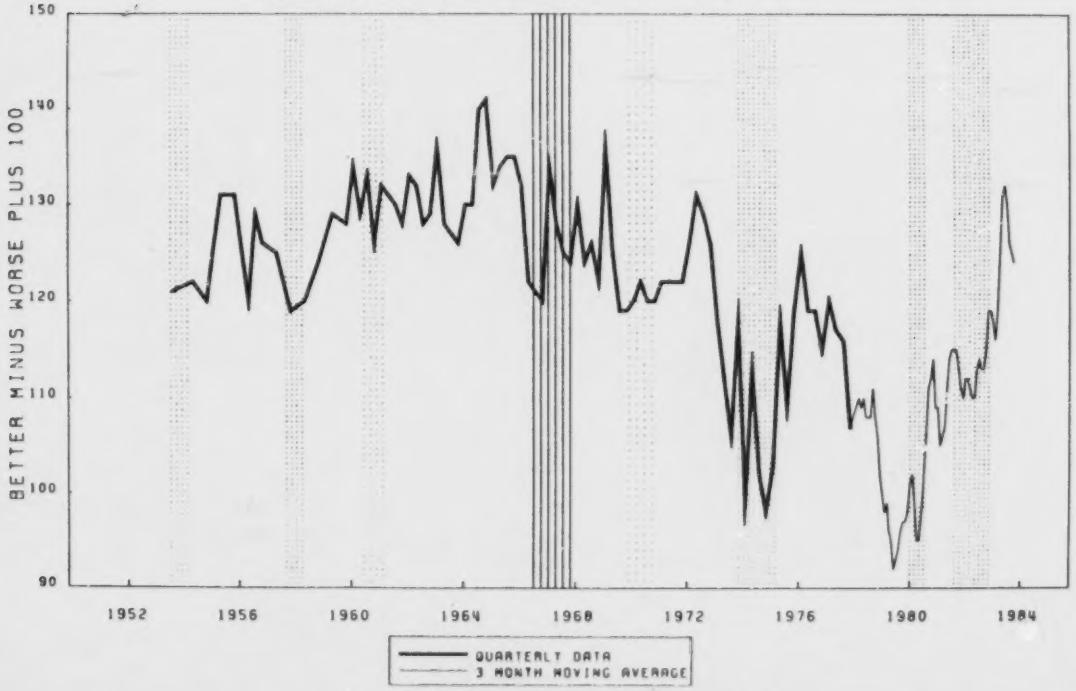


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
BETTER OFF	35%	37%	34%	34%	33%	39%	40%	43%	37%	35%	37%	37%	37%
SAME	45	43	46	44	47	46	47	47	52	52	46	48	46
WORSE OFF	16	16	17	19	16	13	9	6	9	9	13	12	13
DK,NA	4	4	3	3	4	2	4	4	2	4	4	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES

TREND IN PERSONAL FINANCIAL SITUATION

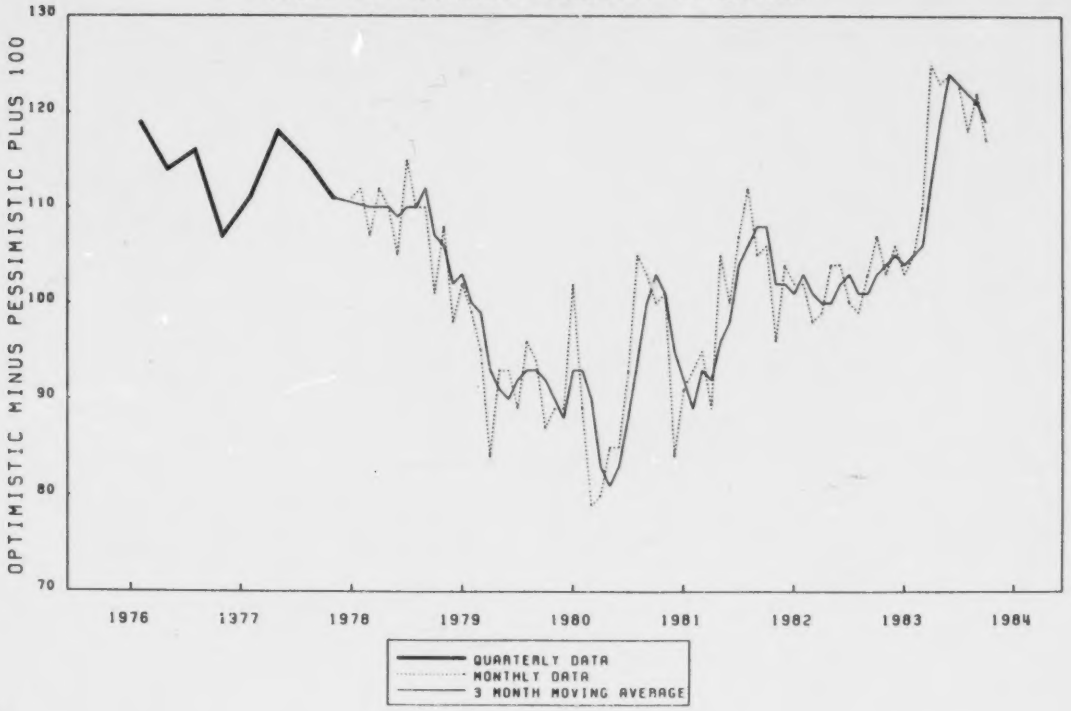


CHART 7 - HISTORICAL SERIES

TREND IN PERSONAL FINANCIAL SITUATION

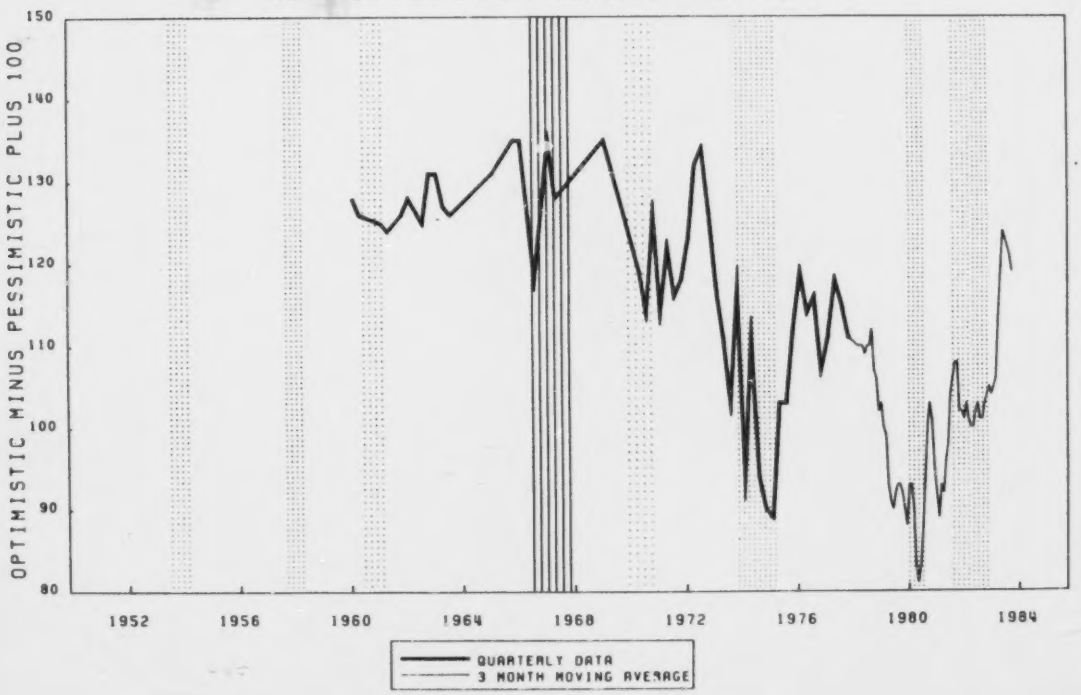


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	18%	16%	14%	15%	13%	16%	19%	18%	19%	20%	19%	18%	19%
Intermittent increase (b)	20	19	22	20	22	22	26	25	26	24	23	27	23
Remain unchanged (c)	14	12	18	16	16	16	18	18	20	21	19	18	18
Intermittent decline (d)	21	22	18	21	20	21	15	18	17	16	18	17	18
Continuous decline (e)	10	10	12	11	10	7	5	2	4	5	6	6	7
Mixed change (f)	12	18	13	13	14	16	13	15	11	10	10	11	11
DK,NA	5	3	3	4	5	2	4	4	3	4	5	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES

MEDIAN EXPECTED CHANGE IN FAMILY INCOME

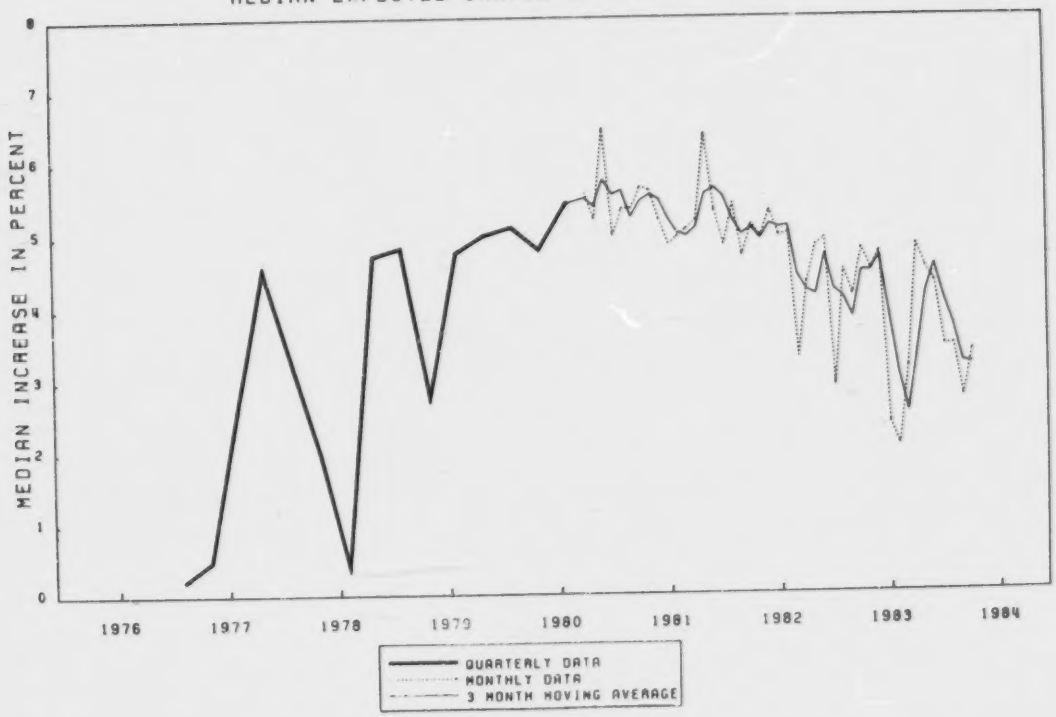


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
EXPECT INCREASE:													
1-4%	7%	6%	6%	11%	7%	7%	9%	8%	8%	9%	13%	11%	11%
5%	9	9	10	9	9	10	12	9	11	12	10	12	10
6-9%	11	7	9	8	8	10	12	8	11	10	10	5	10
10-24%	18	19	22	13	16	16	19	20	16	15	15	14	15
25% or more	8	9	7	7	8	7	7	9	8	7	8	9	7
DK how much up	7	6	4	6	4	5	4	5	4	4	4	6	5
EXPECT SAME	23	27	24	28	30	26	25	26	28	28	23	30	26
EXPECT DOWN	14	14	17	17	16	17	10	14	13	13	14	12	13
DK,NA	3	3	1	1	2	2	2	1	1	2	3	1	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES

INCOME OR PRICES UP MORE DURING THE LAST YEAR

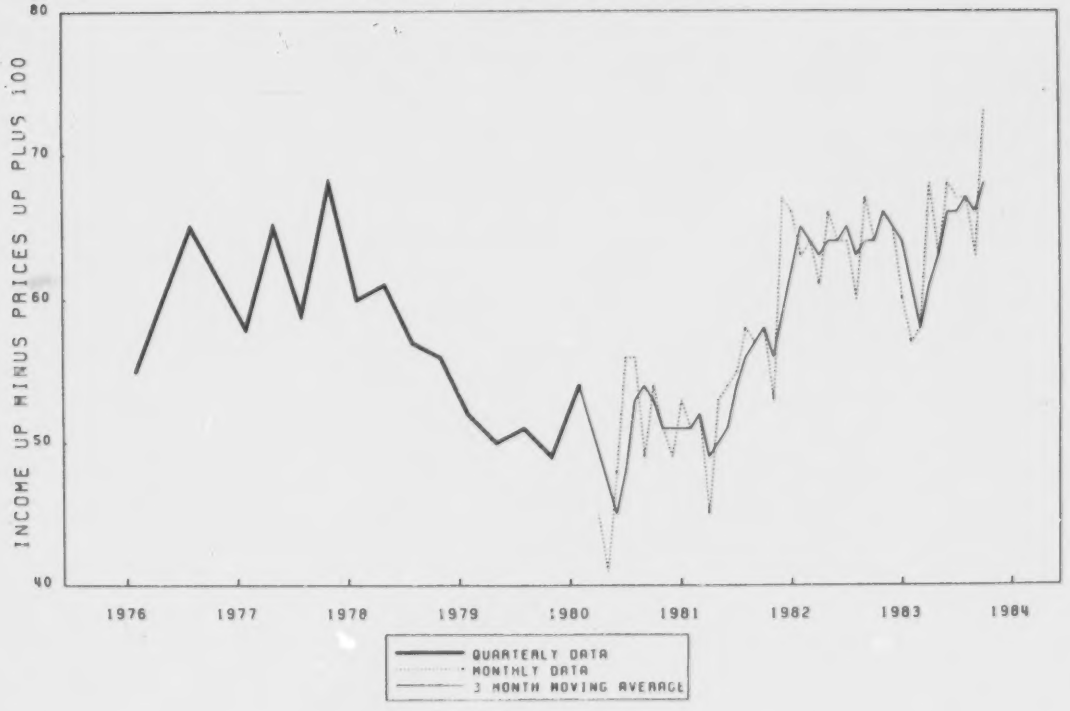


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
INCOME UP MORE	18%	16%	14%	14%	14%	16%	17%	16%	17%	18%	20%	15%	20%
INCOME UP SAME	27	33	35	30	27	25	32	30	32	29	26	31	32
PRICES UP MORE	54	50	49	54	57	58	49	53	49	51	53	52	47
DK,NA	1	1	2	2	2	1	2	1	2	2	1	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

CHART 10 - RECENT CHANGES

INCOME OR PRICES UP MORE NEXT YEAR

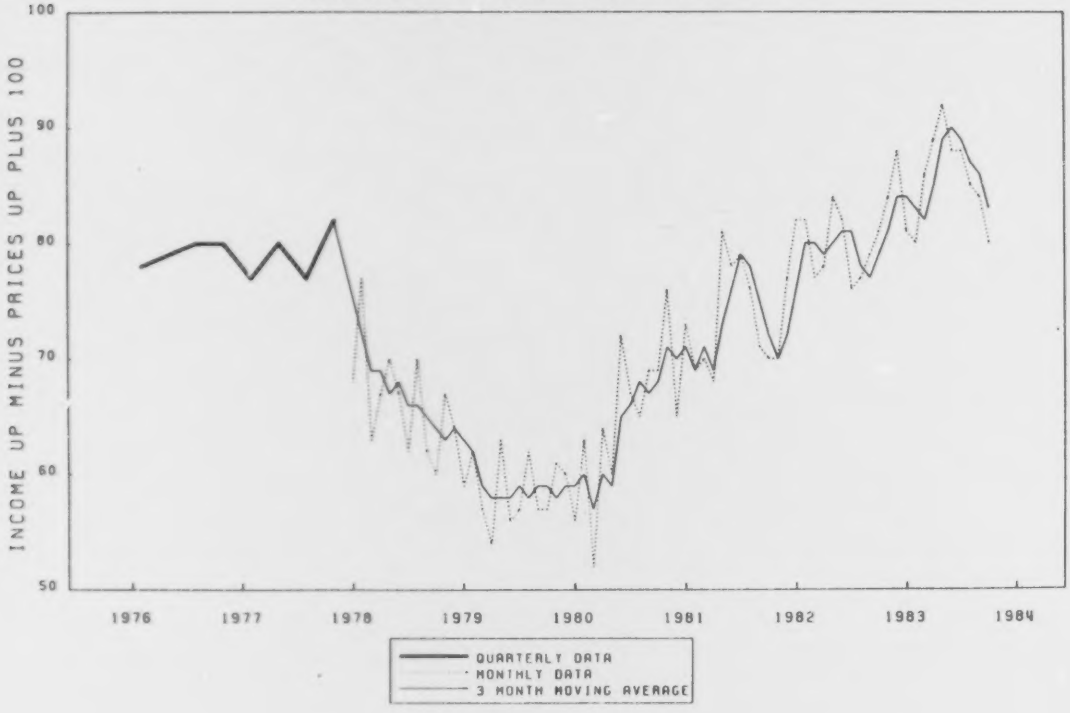


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
INCOME UP MORE	18%	19%	21%	19%	16%	21%	19%	24%	20%	22%	19%	19%	18%
INCOME UP SAME	42	42	44	40	44	41	46	42	46	41	43	44	41
PRICES UP MORE	37	35	33	38	36	35	30	32	32	34	34	35	38
DK,NA	3	4	2	3	4	3	5	2	2	3	4	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES

TREND IN INCOME AND PRICE COMPARISON

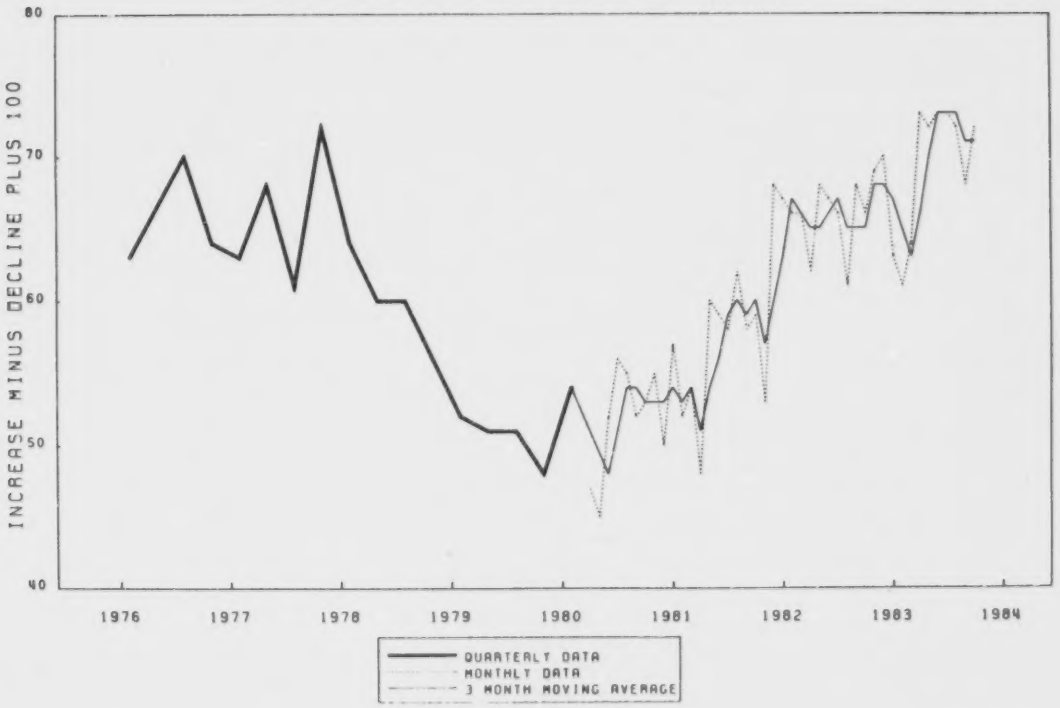


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
REAL INCOME PROGRESS:													
Continuous increase (a)	9%	9%	8%	8%	8%	10%	9%	10%	9%	10%	10%	8%	11%
Intermittent increase (b)	10	10	11	9	8	8	11	10	12	13	13	10	10
Remain unchanged (c)	17	19	21	18	17	15	21	19	21	17	16	21	20
Intermittent decline (d)	23	25	25	24	27	27	23	23	23	23	24	23	21
Continuous decline (e)	30	25	24	30	28	27	24	25	25	27	27	27	28
Mixed change (f)	8	7	7	7	7	9	7	11	7	7	6	8	7
DK,NA	3	5	4	4	5	4	5	2	3	3	4	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

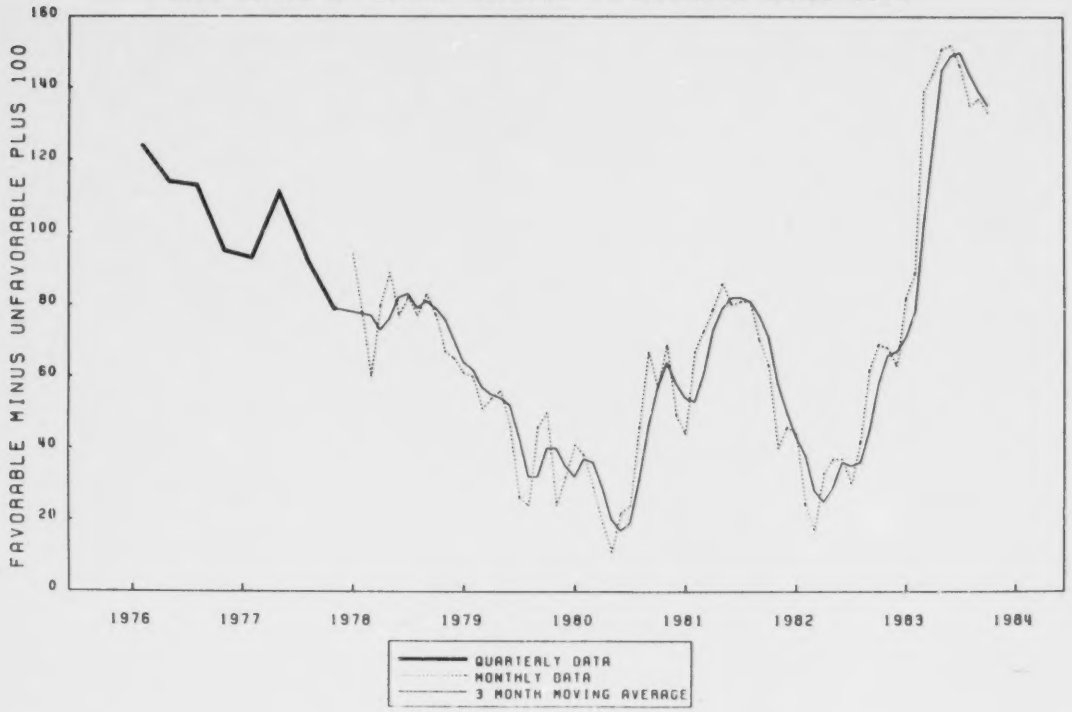


CHART 12 - HISTORICAL SERIES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

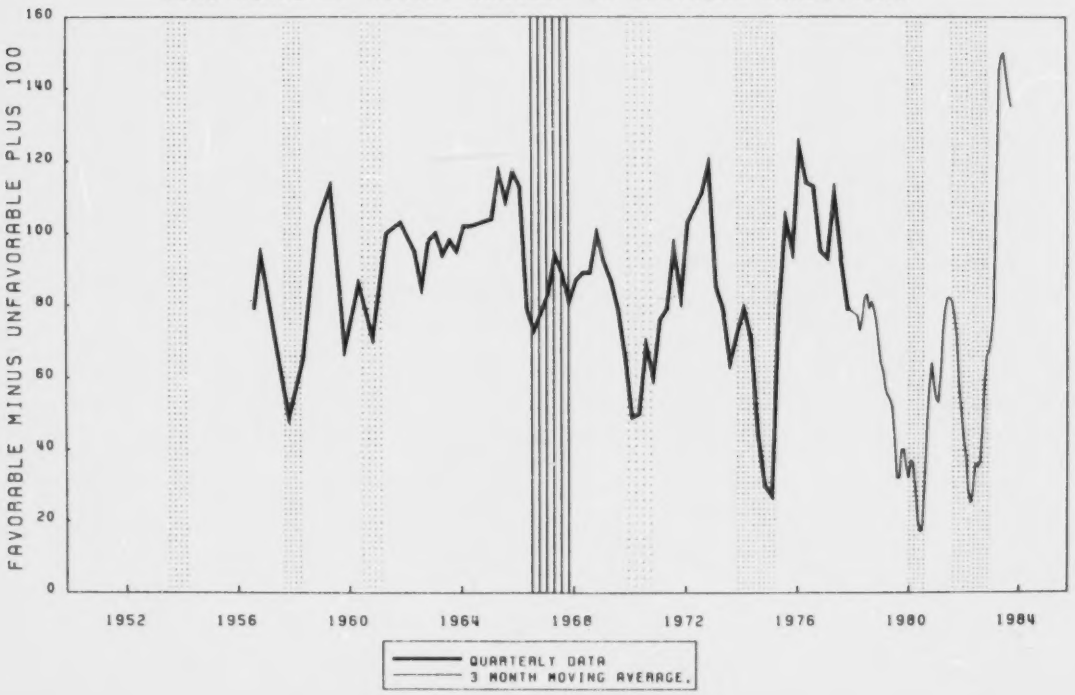


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
FAVORABLE NEWS	39%	40%	39%	47%	49%	79%	76%	80%	83%	74%	69%	64%	63%
UNFAVORABLE NEWS	70	72	76	65	60	40	32	29	31	28	34	27	30
NO MENTIONS	29	29	27	28	32	28	32	31	27	34	34	43	41

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

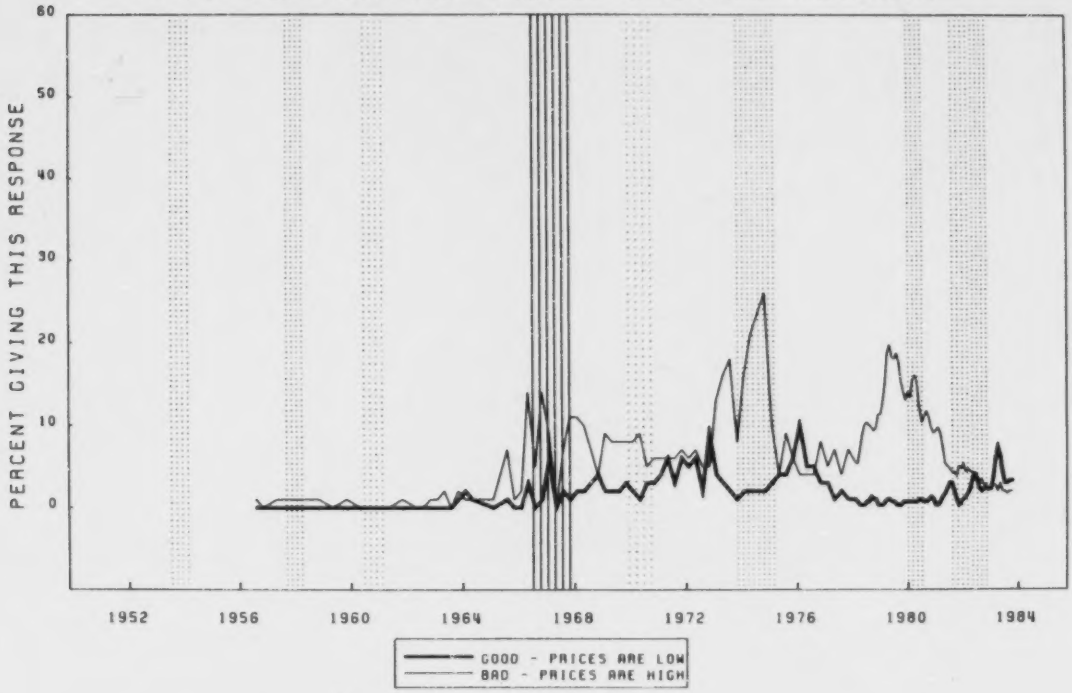


CHART 13B - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

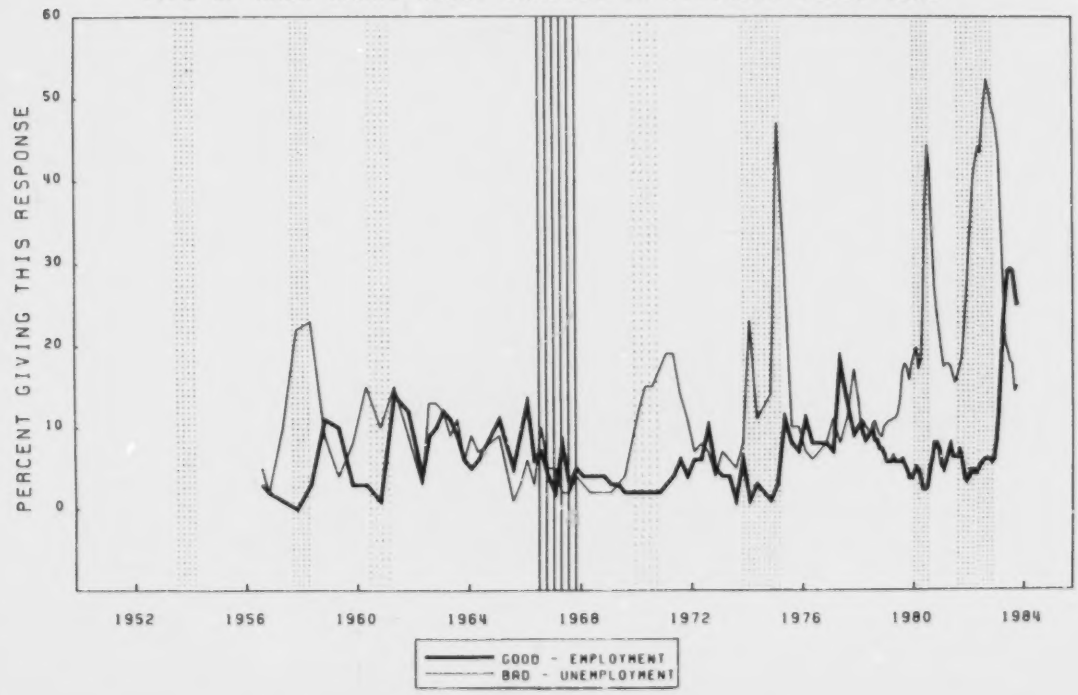


TABLE 13

SELECTED ITEMS OF
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
FAVORABLE NEWS:													
Government; elections	1%	2%	2%	3%	2%	2%	2%	1%	1%	2%	2%	1%	2%
Employment	5	6	7	12	17	22	29	28	31	29	27	25	23
Consumer demand high	2	2	3	4	6	8	8	11	12	11	13	11	11
Prices are low	3	2	2	3	6	9	7	3	3	3	3	4	3
Credit is easy	17	18	15	15	9	17	15	16	17	11	8	8	7
UNFAVORABLE NEWS:													
Government; elections	3	2	3	3	4	2	3	3	2	2	3	1	1
Unemployment	48	47	49	43	39	24	20	17	21	16	16	11	18
Consumer demand low	5	7	8	5	3	3	3	2	2	2	2	1	1
Prices are high	1	3	2	3	3	2	1	3	2	1	2	3	1
Credit is tight	3	1	1	2	1	*	1	1	1	3	6	4	2
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

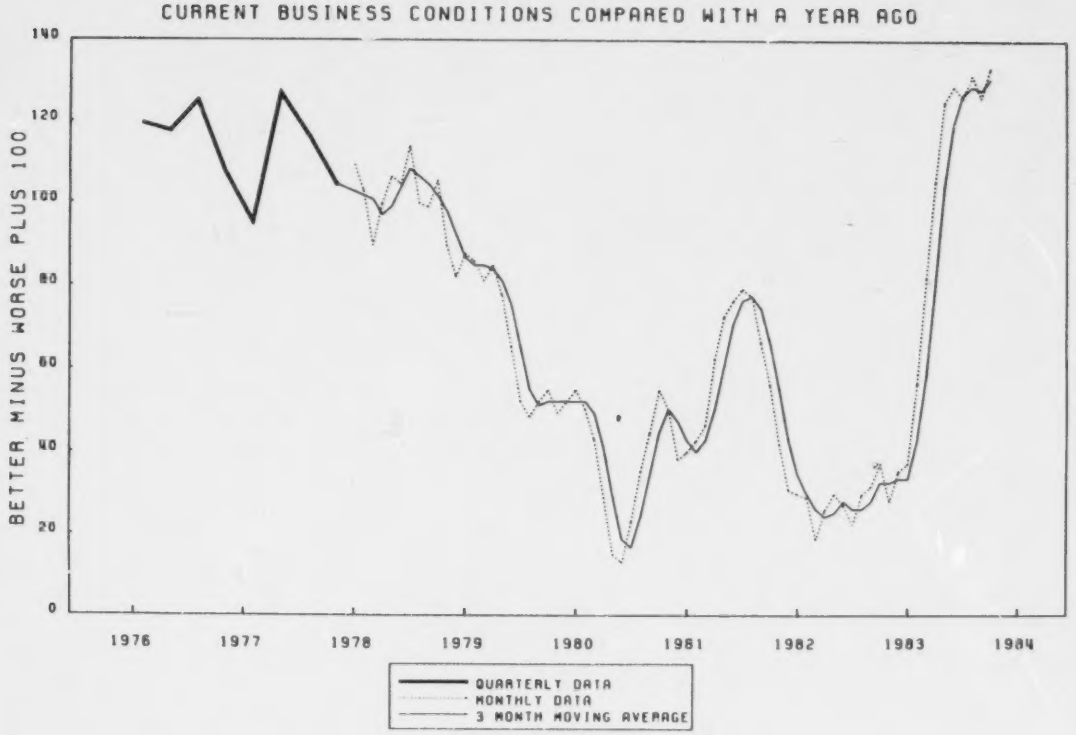


CHART 14 - HISTORICAL SERIES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

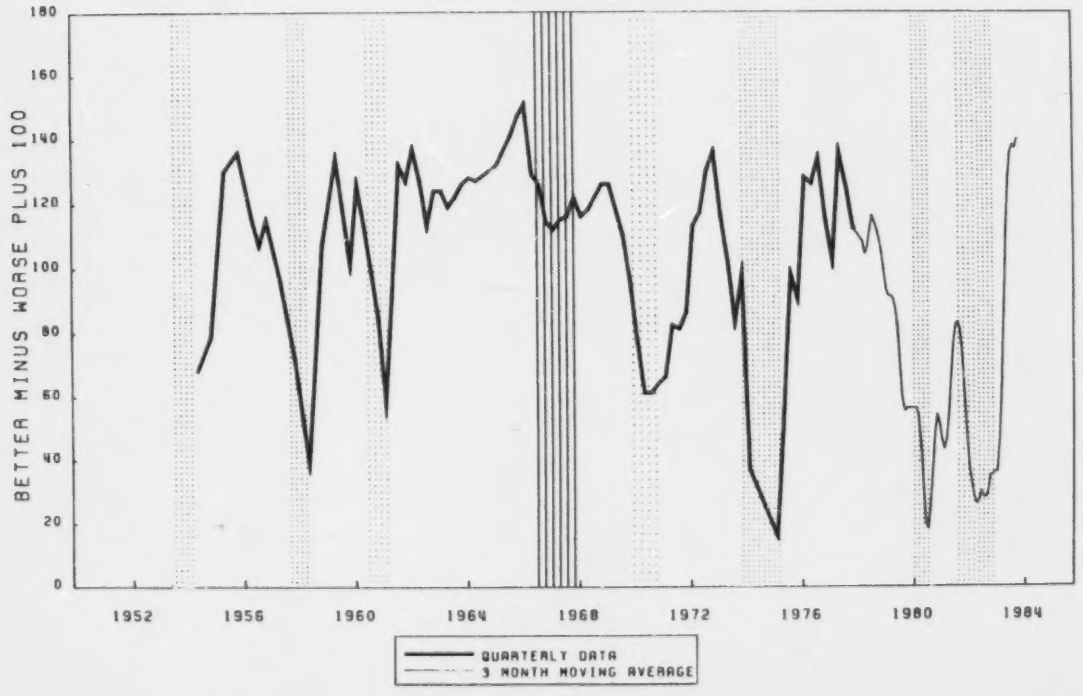


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
BETTER NOW	15%	12%	14%	16%	26%	39%	51%	62%	64%	63%	66%	62%	66%
SAME	9	5	9	8	8	10	10	10	9	8	8	10	9
WORSE NOW	75	82	76	76	65	51	38	28	26	28	25	27	23
DK,NA	1	1	1	*	1	*	1	*	1	1	1	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

* : Less than half of one percent.

CHART 15 - RECENT CHANGES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

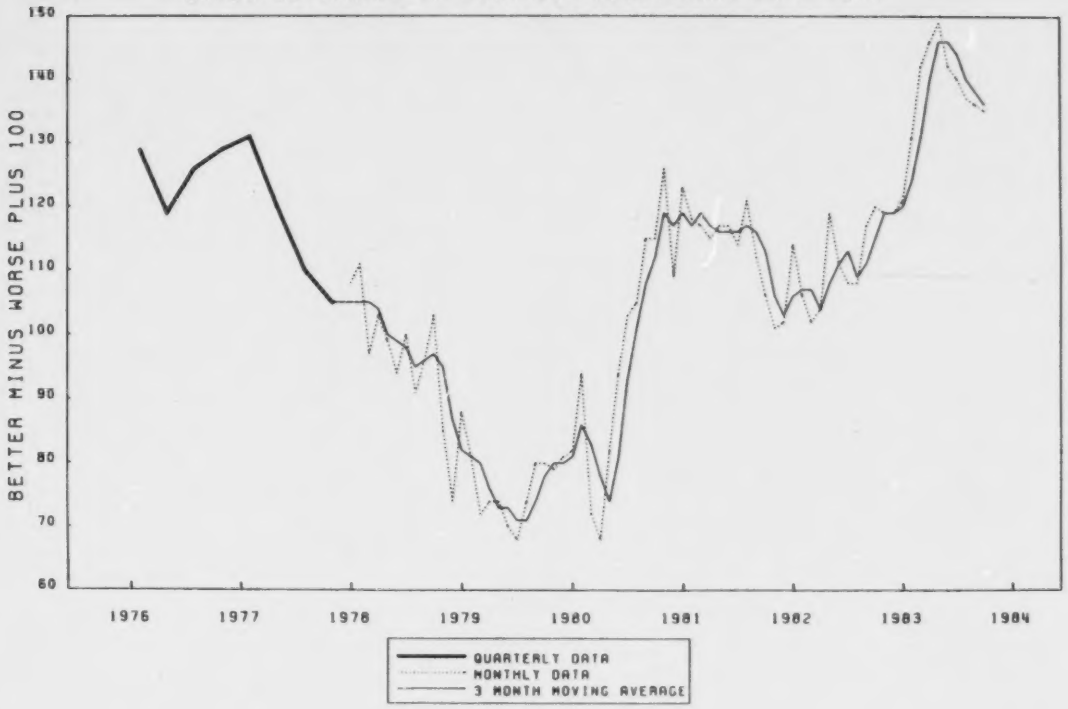


CHART 15 - HISTORICAL SERIES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

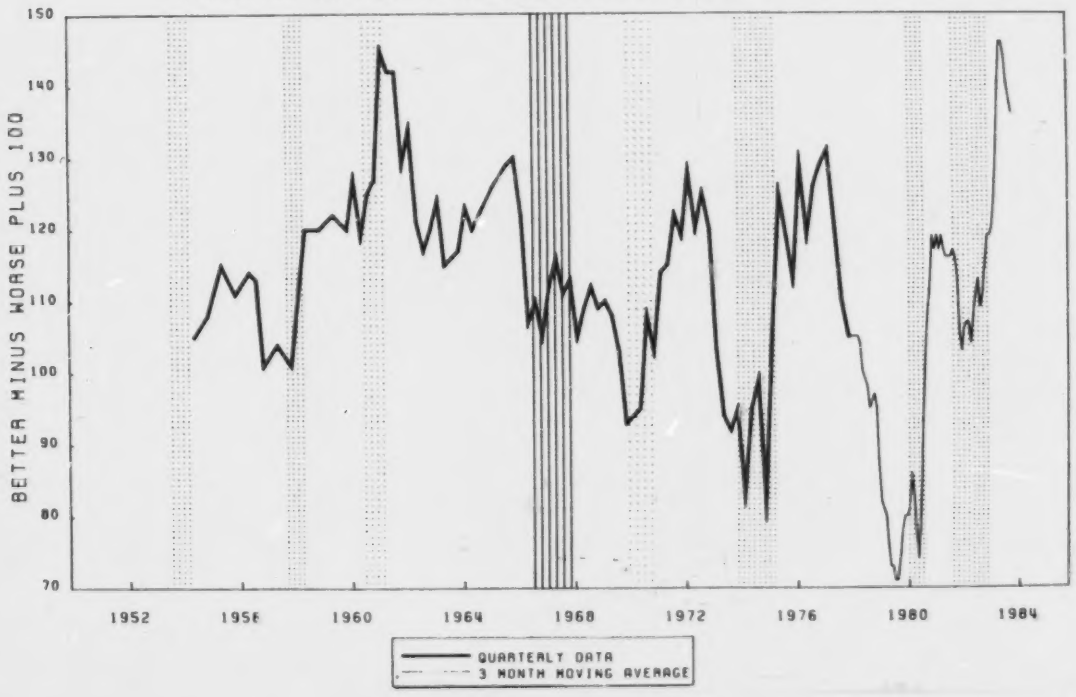


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
BETTER	40%	38%	39%	38%	45%	51%	53%	55%	49%	48%	47%	46%	46%
SAME	36	41	41	43	40	39	38	38	42	42	42	42	41
WORSE	20	19	20	17	14	9	7	6	7	8	10	10	11
DK,NA	4	2	*	2	1	1	2	1	2	2	1	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

* : Less than half of one percent.

CHART 16A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

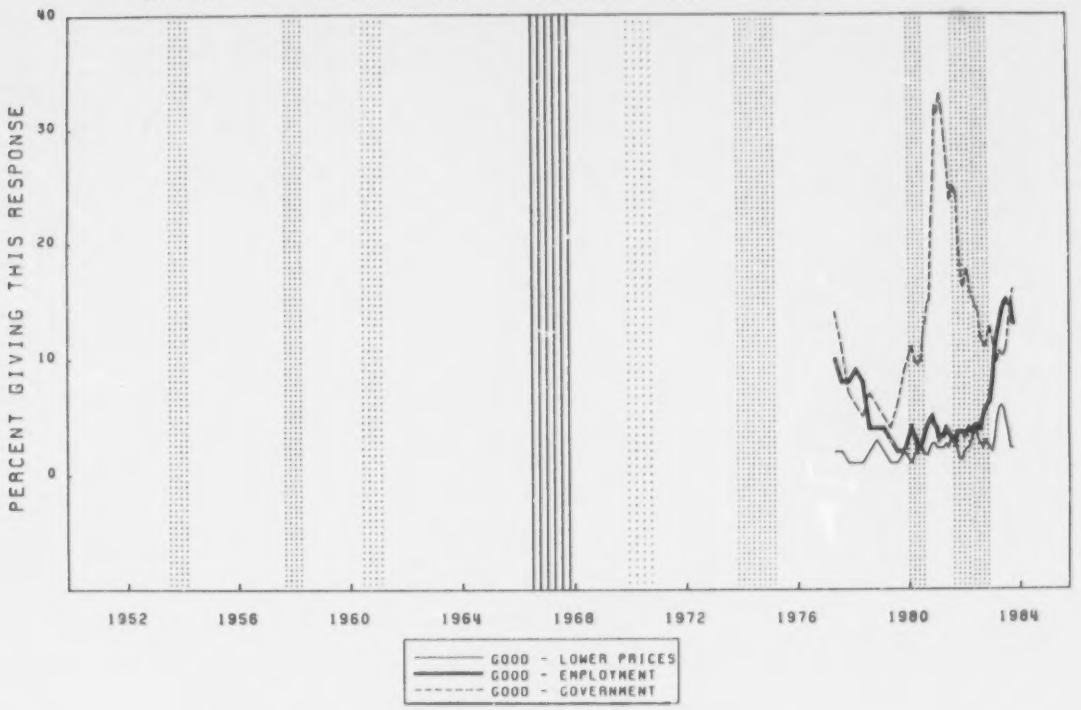


CHART 16B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

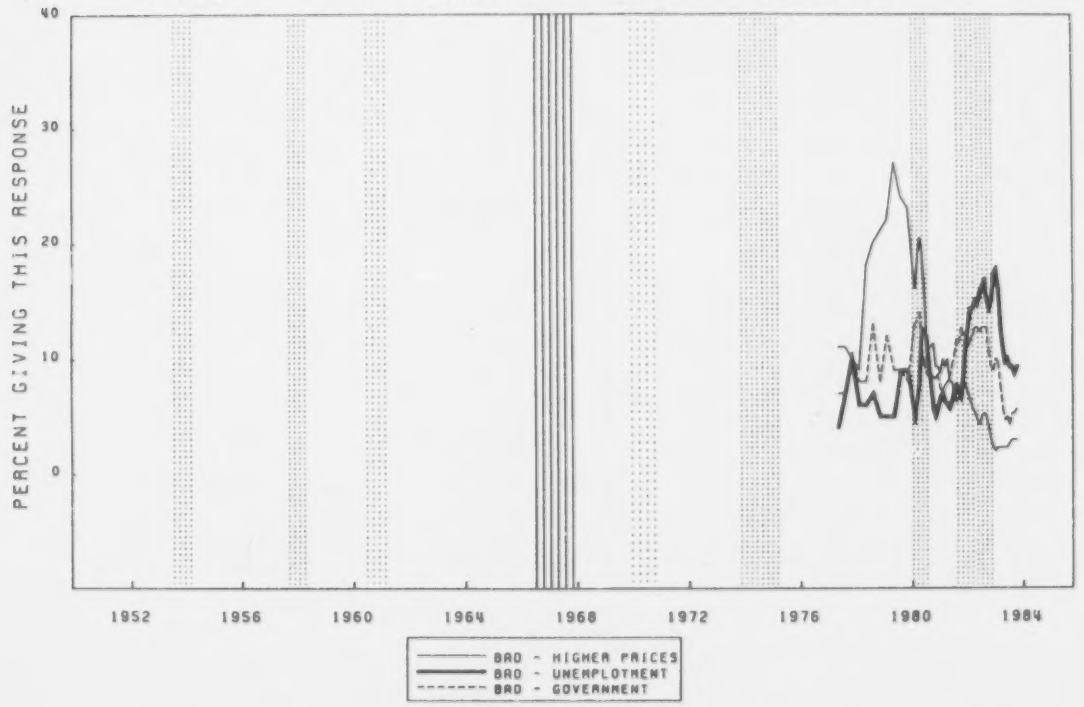


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	Oct. 1982	Nov. 1982	Dec. 1982	Jan 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
FAVORABLE REASONS:													
Government; elections	11%	14%	13%	8%	11%	10%	11%	10%	10%	13%	16%	15%	17%
Employment	6	5	8	11	13	12	14	16	14	15	15	14	10
Higher consumer demand	4	4	6	5	7	6	9	10	9	7	6	7	8
Lower prices	4	1	2	3	4	7	6	5	6	3	2	2	3
Easier credit	15	12	12	12	12	13	14	12	12	7	6	5	6
UNFAVORABLE REASONS:													
Government; elections	8	8	11	11	7	5	5	4	6	4	6	6	5
Unemployment	14	18	20	15	13	10	10	9	11	8	9	9	10
Lower consumer demand	3	5	5	4	4	2	4	2	2	4	3	1	3
Higher prices	3	2	2	2	3	2	2	3	2	3	4	2	3
Tighter credit	3	3	2	2	2	1	2	2	3	4	3	2	2
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

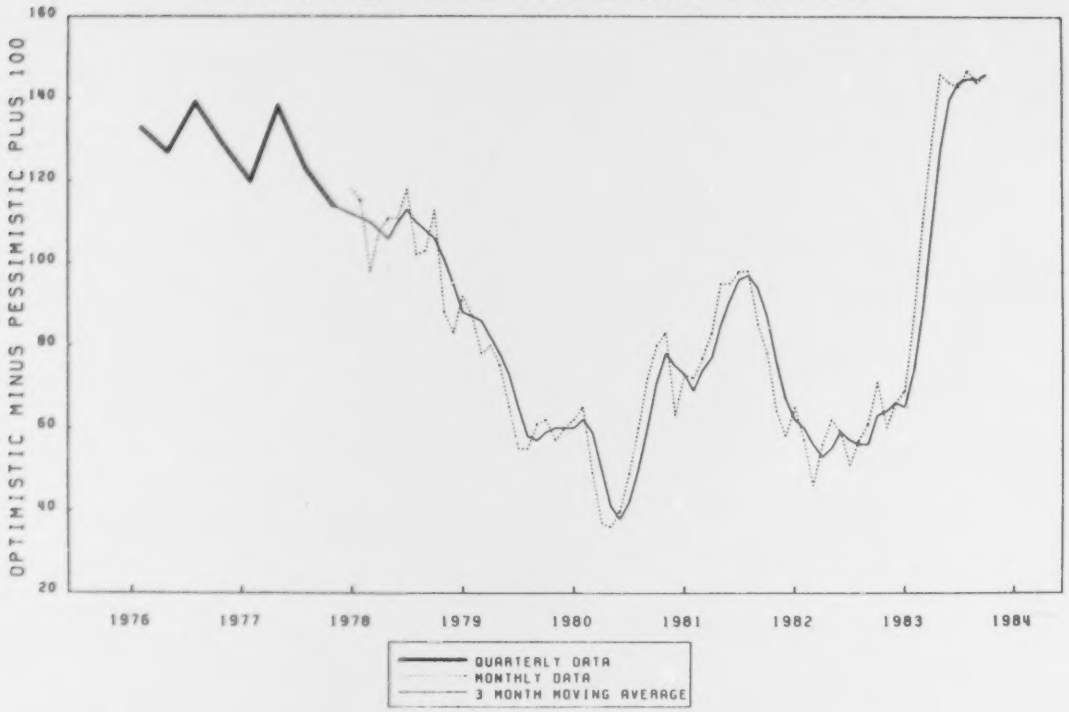


CHART 17 - HISTORICAL SERIES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

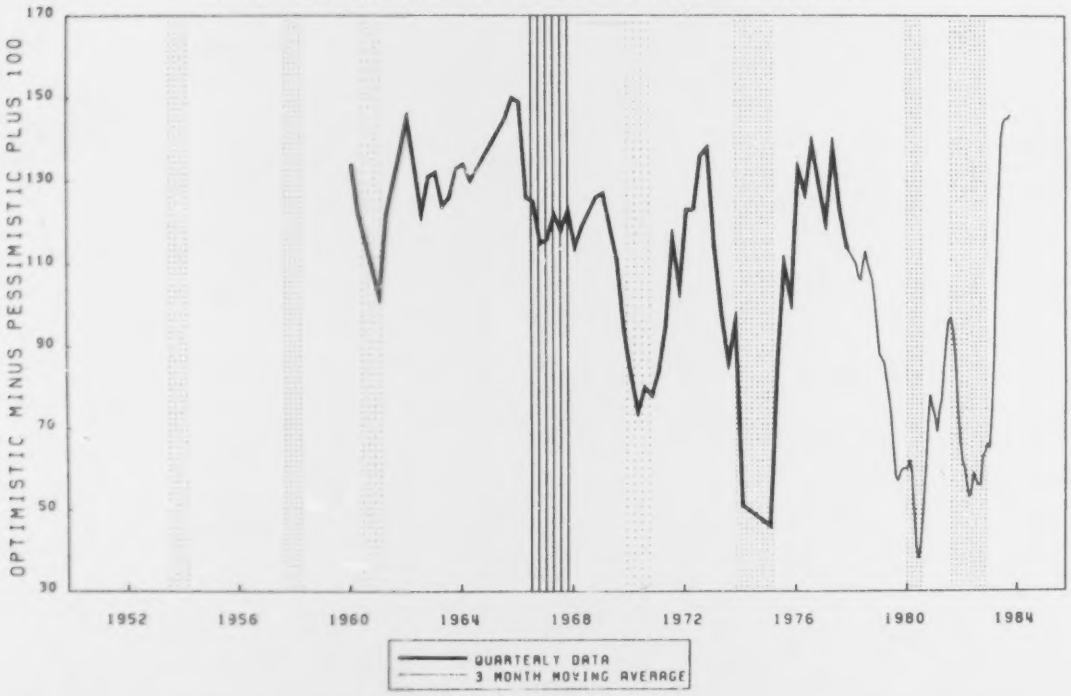


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
TREND:													
Continuous increase (a)	10%	8%	8%	11%	18%	28%	36%	42%	39%	39%	38%	34%	39%
Intermittent increase (b)	9	7	9	9	11	15	18	23	26	24	27	28	26
Remain unchanged (c)	3	1	4	3	4	4	5	5	5	5	6	7	5
Intermittent decline (d)	29	37	33	35	29	25	19	14	16	15	12	12	13
Continuous decline (e)	19	18	18	16	13	8	6	5	5	5	6	6	6
Mixed change (f)	26	27	27	24	23	18	14	10	7	9	9	10	7
DK,NA	4	2	1	2	2	2	2	1	2	3	2	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

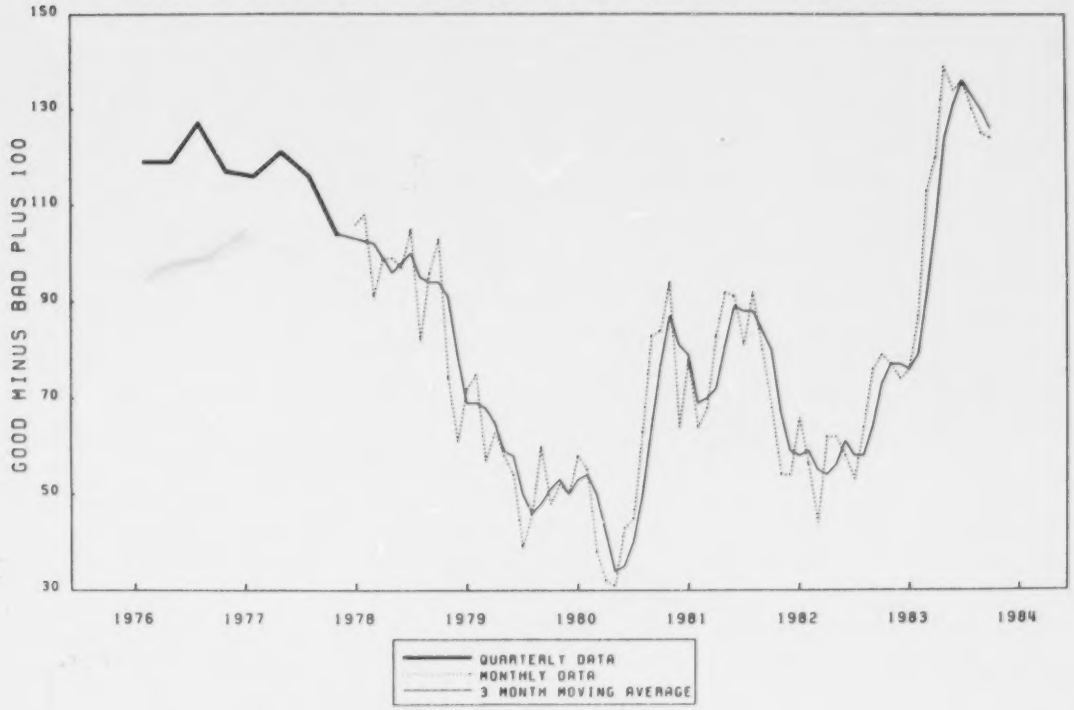


CHART 18 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

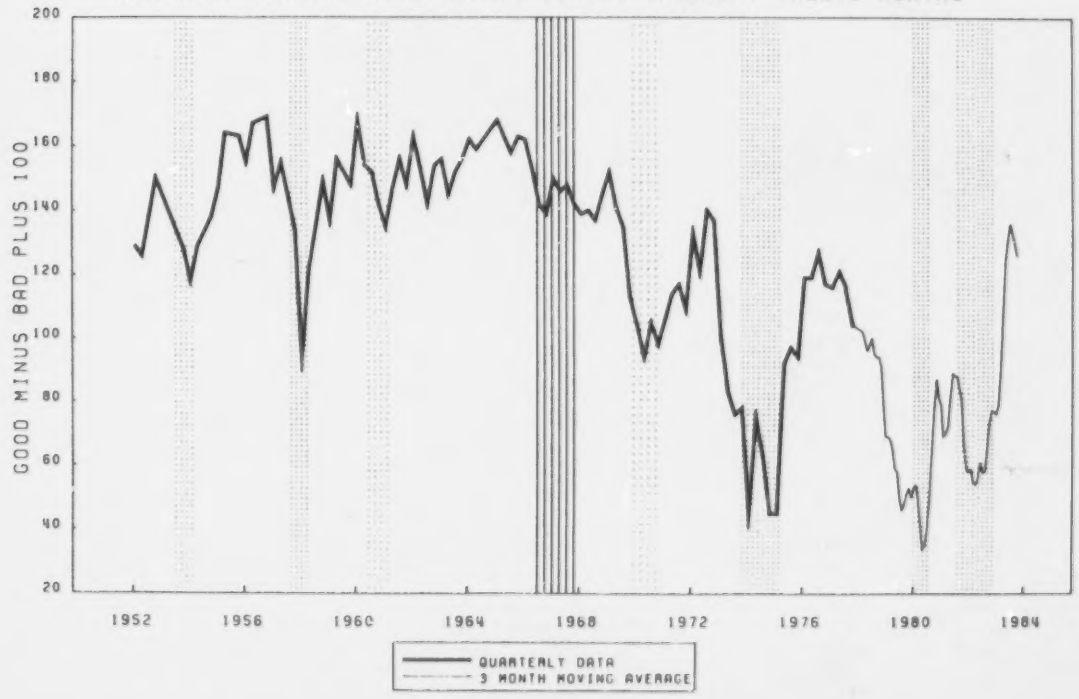


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
GOOD TIMES	35%	33%	32%	34%	39%	52%	56%	65%	63%	63%	60%	58%	58%
UNCERTAIN; GOOD & BAD	3	4	2	1	1	2	1	2	3	3	3	2	3
BAD TIMES	56	56	58	58	52	39	36	26	29	27	30	33	34
DON'T KNOW	4	3	5	3	3	4	3	4	3	6	5	5	4
NOT ASCERTAINED	2	4	3	4	5	3	4	3	2	1	2	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

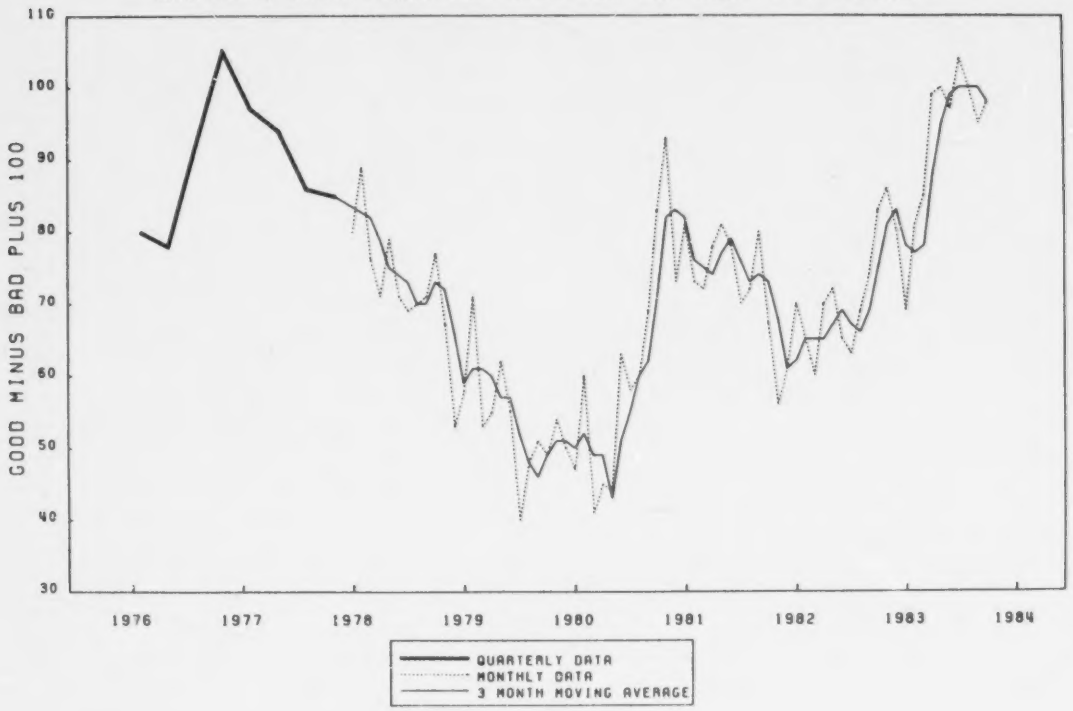


CHART 19 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

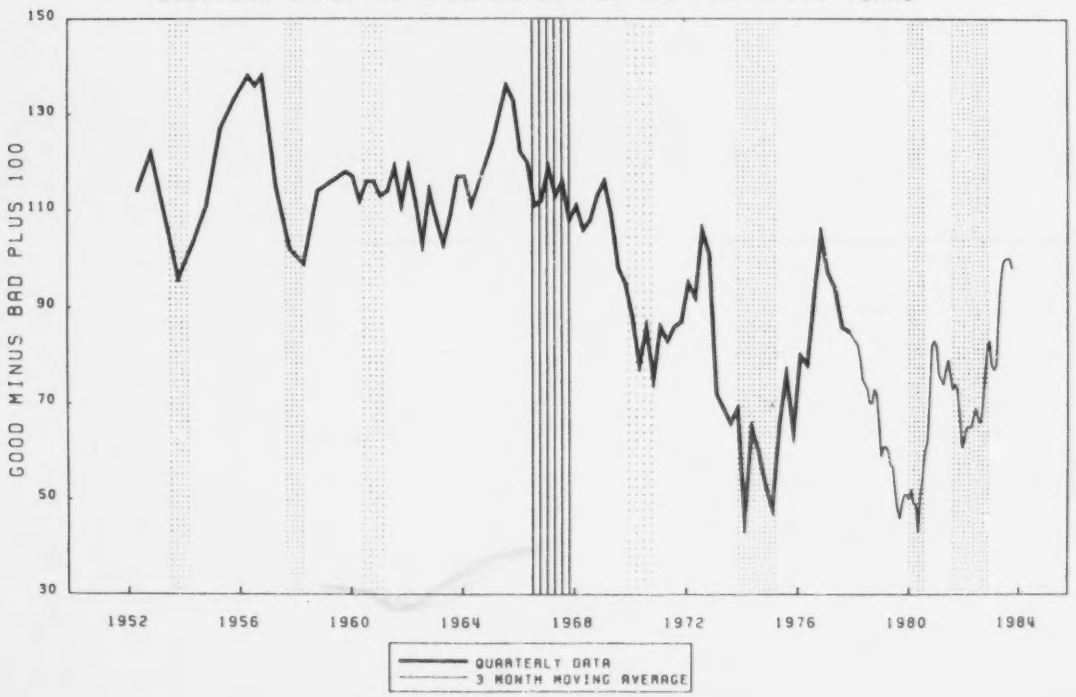


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
GOOD TIMES	32%	33%	29%	26%	31%	33%	38%	39%	39%	39%	37%	37%	39%
UNCERTAIN; GOOD & BAD	14	14	14	12	13	15	18	18	15	20	22	19	17
BAD TIMES	49	47	49	57	50	48	39	39	42	35	37	42	41
NOT ASCERTAINED	5	6	8	5	6	4	5	4	4	6	4	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

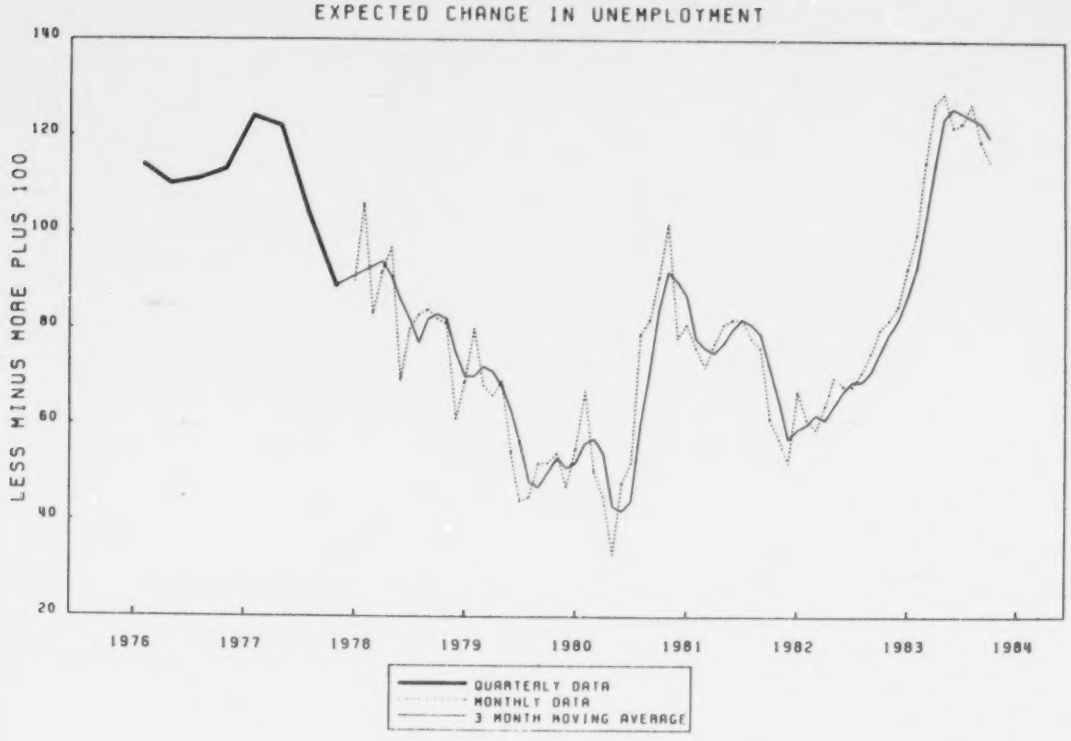


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

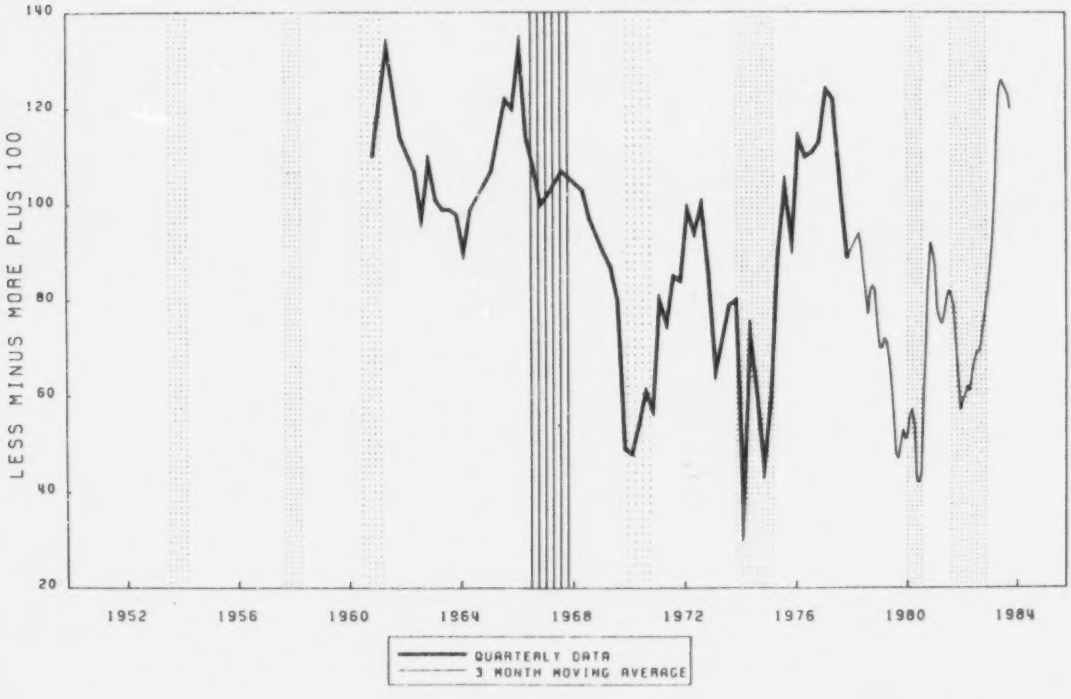


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
LESS	21%	19%	22%	23%	29%	36%	42%	42%	37%	39%	42%	36%	35%
SAME	36	42	40	45	41	43	41	44	47	44	40	46	44
MORE	41	37	37	30	29	21	15	13	15	16	15	17	20
DK,NA	2	2	1	2	1	*	2	1	1	1	3	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES

EXPECTED CHANGE IN INTEREST RATES

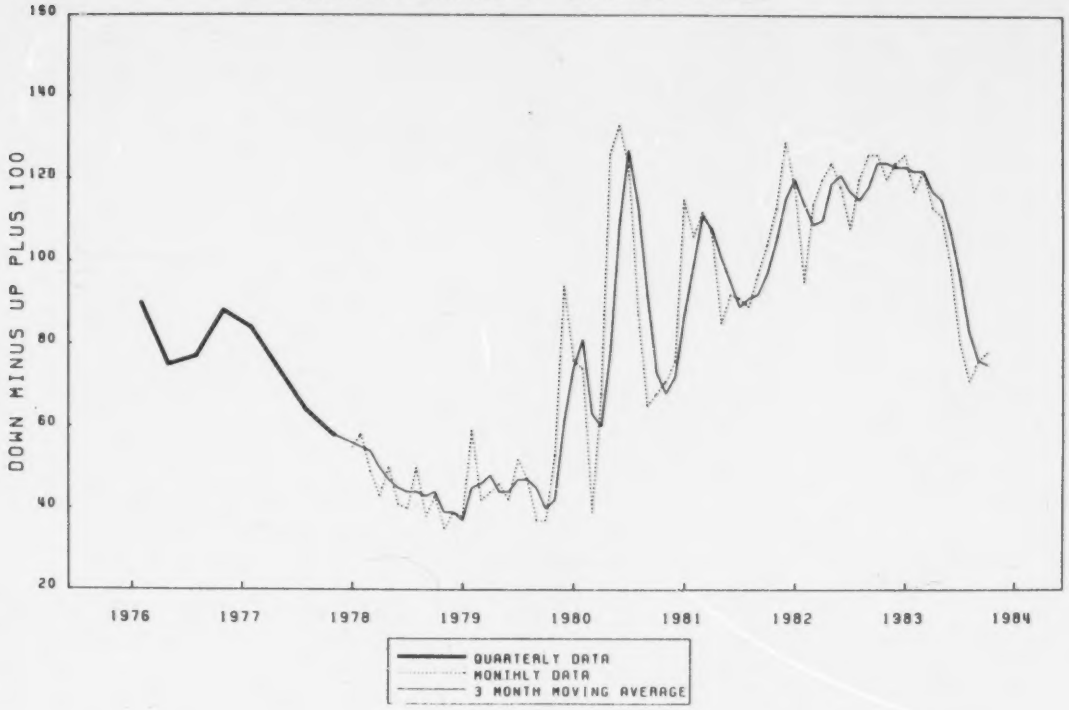


CHART 21 - HISTORICAL SERIES

EXPECTED CHANGE IN INTEREST RATES

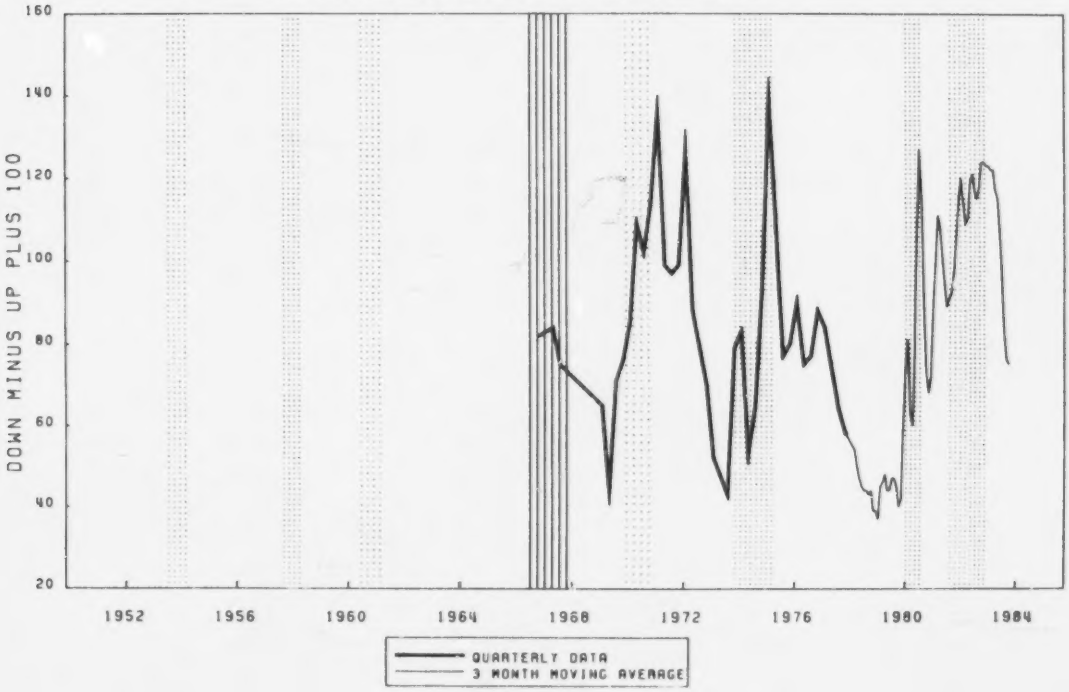


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
GO UP	22%	25%	20%	18%	24%	19%	21%	20%	29%	40%	47%	44%	43%
STAY THE SAME	26	26	33	35	32	38	42	47	42	37	32	33	33
GO DOWN	48	45	44	44	41	41	34	31	27	20	18	20	21
DK,NA	4	4	3	3	3	2	3	2	2	3	3	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES

CHANGE IN PRICES DURING THE LAST 12 MONTHS

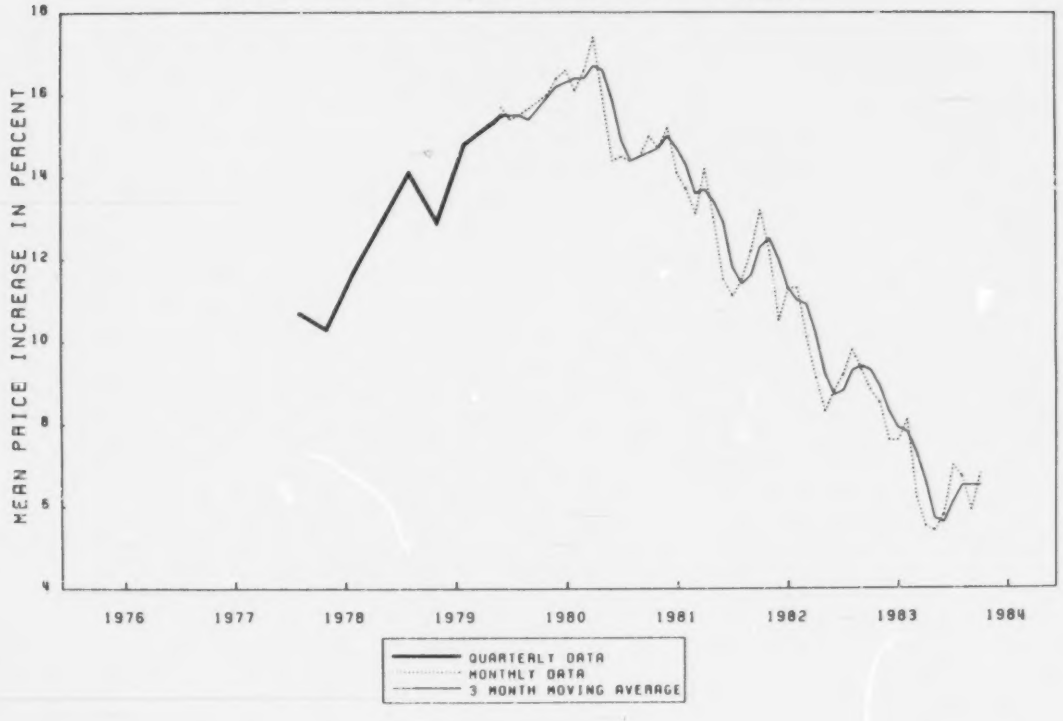


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
SAME OR DOWN	20%	20%	20%	23%	24%	31%	30%	31%	29%	23%	25%	25%	21%
GONE UP BY:													
1-2%	4	5	6	7	5	6	8	9	8	8	8	11	8
3-4%	7	9	9	11	10	10	10	13	13	14	14	13	14
5%	13	15	17	17	15	12	17	13	14	13	16	15	16
6-9%	12	12	12	9	10	9	9	8	11	11	8	7	11
10-14%	22	14	17	15	14	15	11	14	11	13	13	12	14
15% or more	14	18	14	12	16	11	9	8	10	11	11	9	11
DK how much up	7	6	5	5	5	5	5	4	3	6	5	7	4
DK,NA	1	1	*	1	1	1	1	*	1	1	*	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	8.8	8.5	7.6	7.6	8.1	6.2	5.5	5.4	5.8	7.0	6.7	5.9	6.8
VARIANCE	106	102	82	108	113	71	64	61	65	88	93	71	81
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

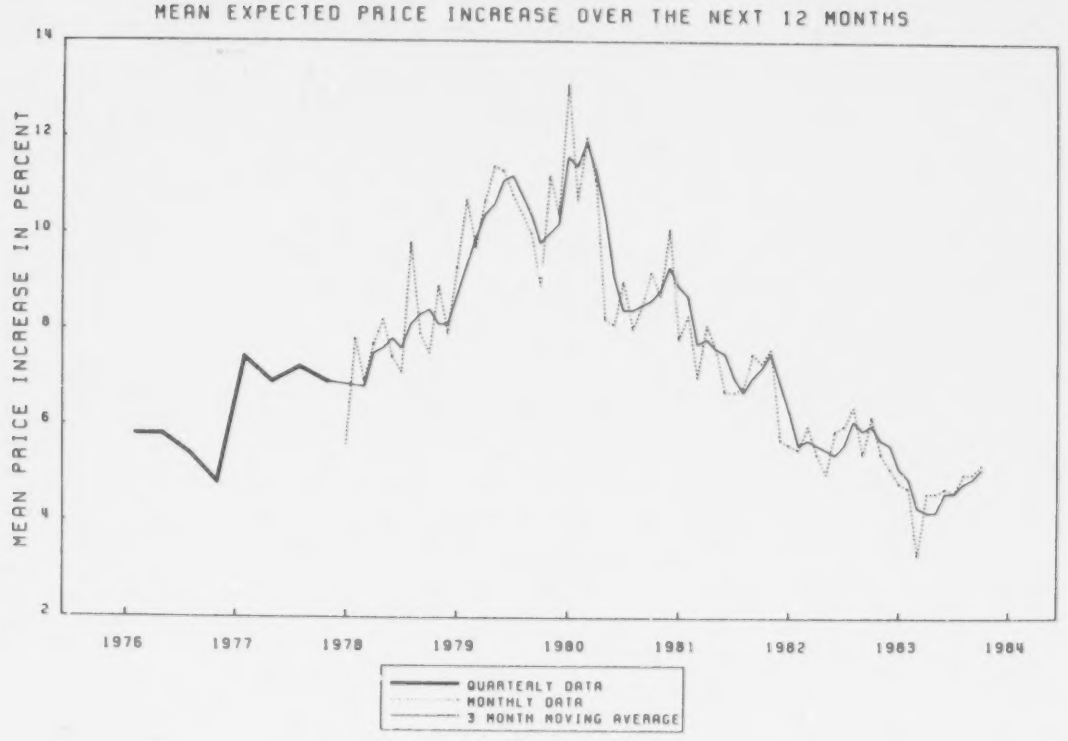


CHART 23 - HISTORICAL SERIES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

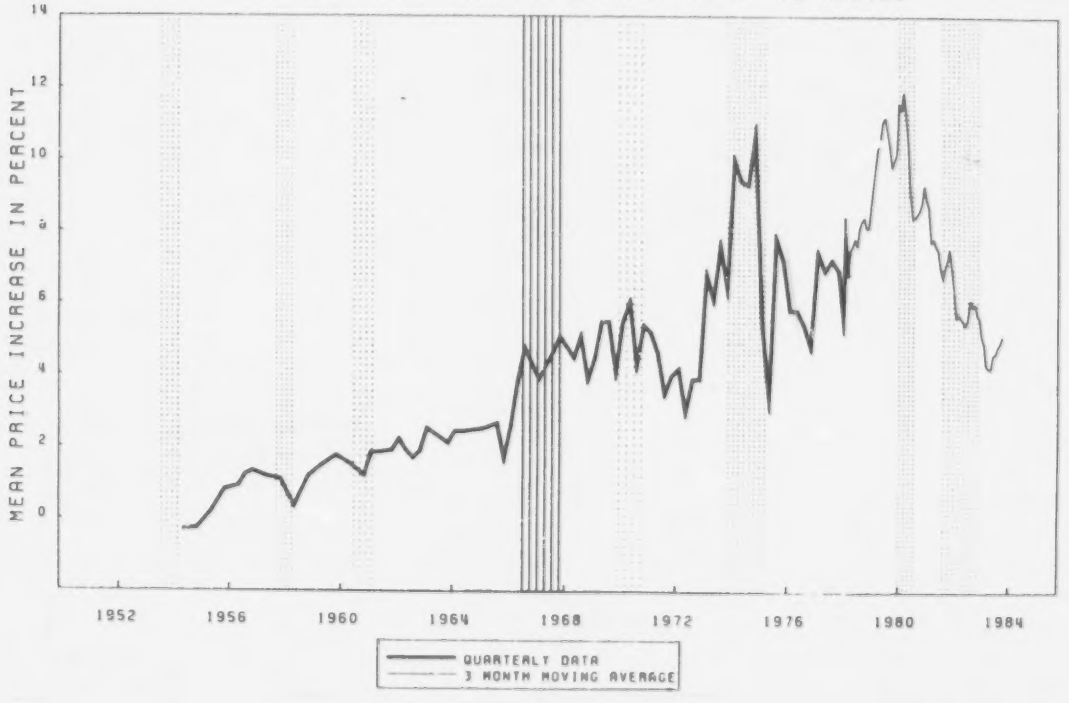


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
SAME OR DOWN	31%	32%	33%	35%	36%	44%	30%	32%	33%	29%	23%	28%	24%
WILL GO UP BY:													
1-2%	5	5	6	10	8	9	10	9	8	12	14	13	12
3-4%	8	10	13	11	12	12	13	13	15	15	16	14	15
5%	14	15	15	16	15	14	17	17	16	15	16	16	15
6-9%	11	11	9	7	9	5	10	10	9	9	9	7	10
10-14%	15	12	11	9	8	8	9	10	9	9	9	10	11
15% or more	9	9	8	7	7	4	5	5	6	6	6	7	8
DK how much up	5	3	3	3	3	3	4	3	3	3	5	4	4
DK,NA	2	3	2	2	2	1	2	1	1	2	2	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	6.2	5.4	5.1	4.8	4.7	3.3	4.6	4.6	4.7	4.6	5.0	5.0	5.2
VARIANCE	82	55	56	67	60	33	45	49	54	44	47	51	36
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES

UNEMPLOYMENT OR INFLATION MORE SERIOUS

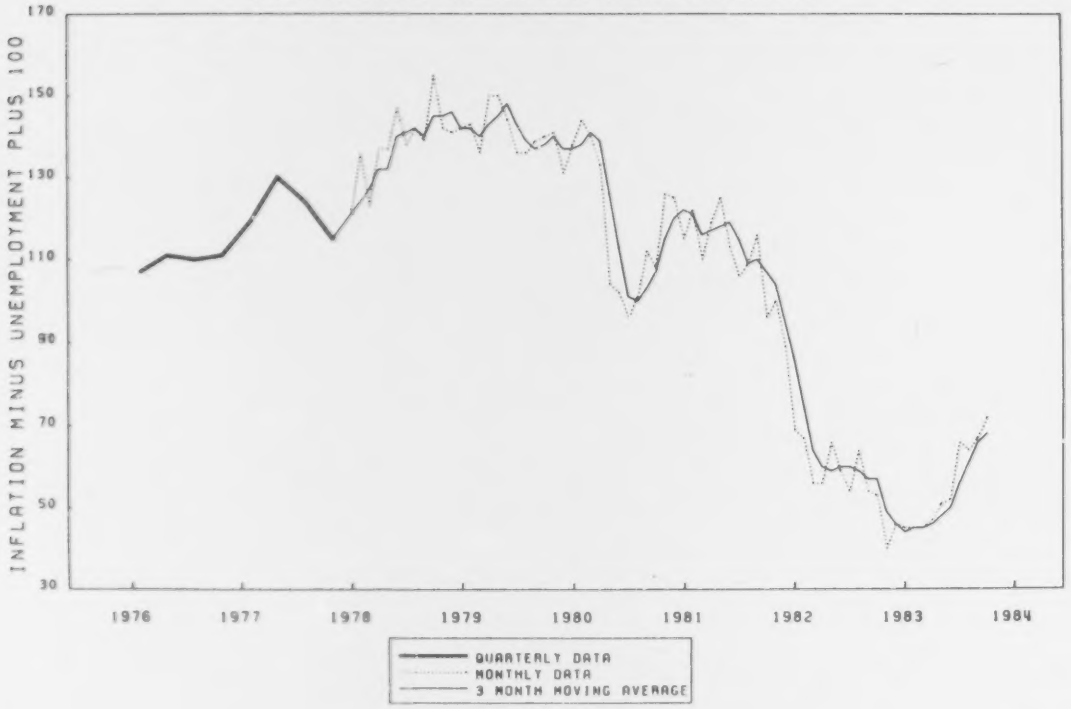


CHART 24 - HISTORICAL SERIES

UNEMPLOYMENT OR INFLATION MORE SERIOUS

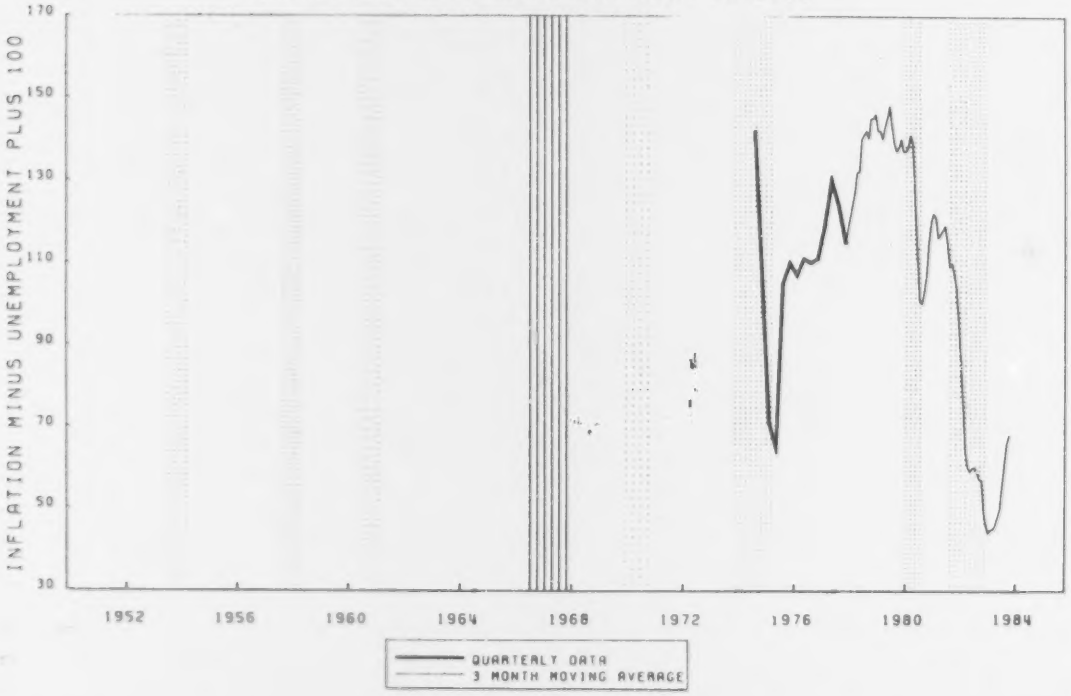


TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
UNEMPLOYMENT	67%	76%	72%	74%	73%	73%	73%	71%	70%	63%	65%	62%	61%
BOTH EQUALLY SERIOUS	11	7	9	5	8	8	6	6	7	6	5	8	5
INFLATION	20	16	18	19	18	18	20	22	22	29	29	29	33
DK,NA	2	1	1	2	1	1	1	1	1	2	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

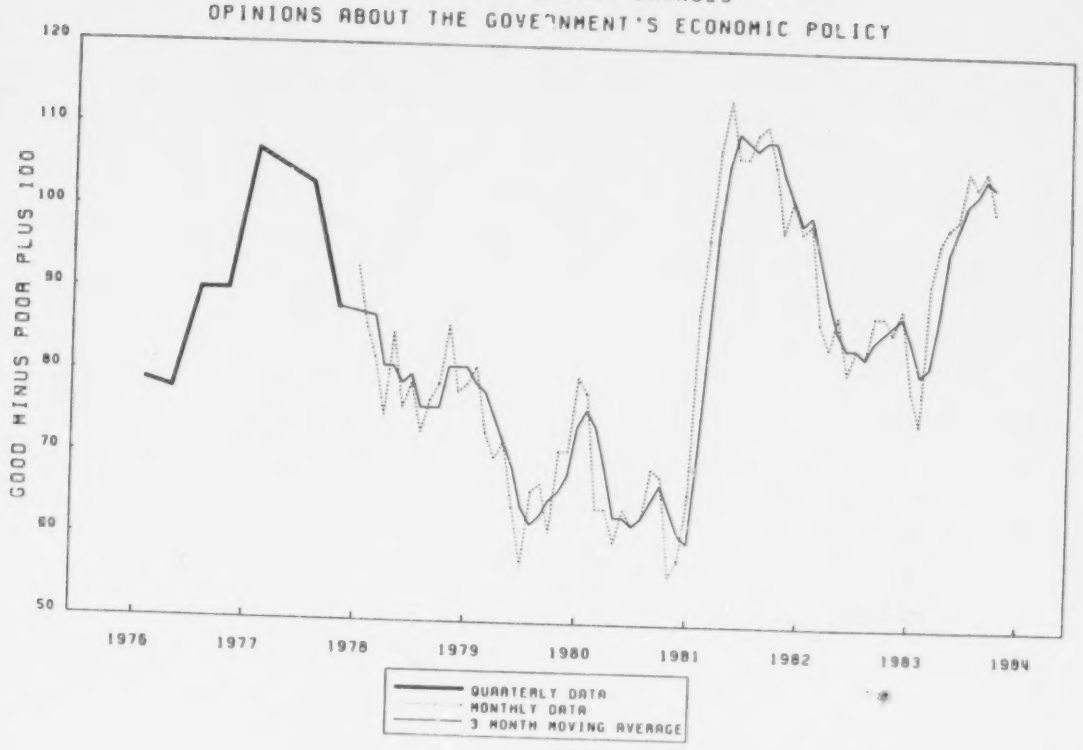


CHART 25 - HISTORICAL SERIES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

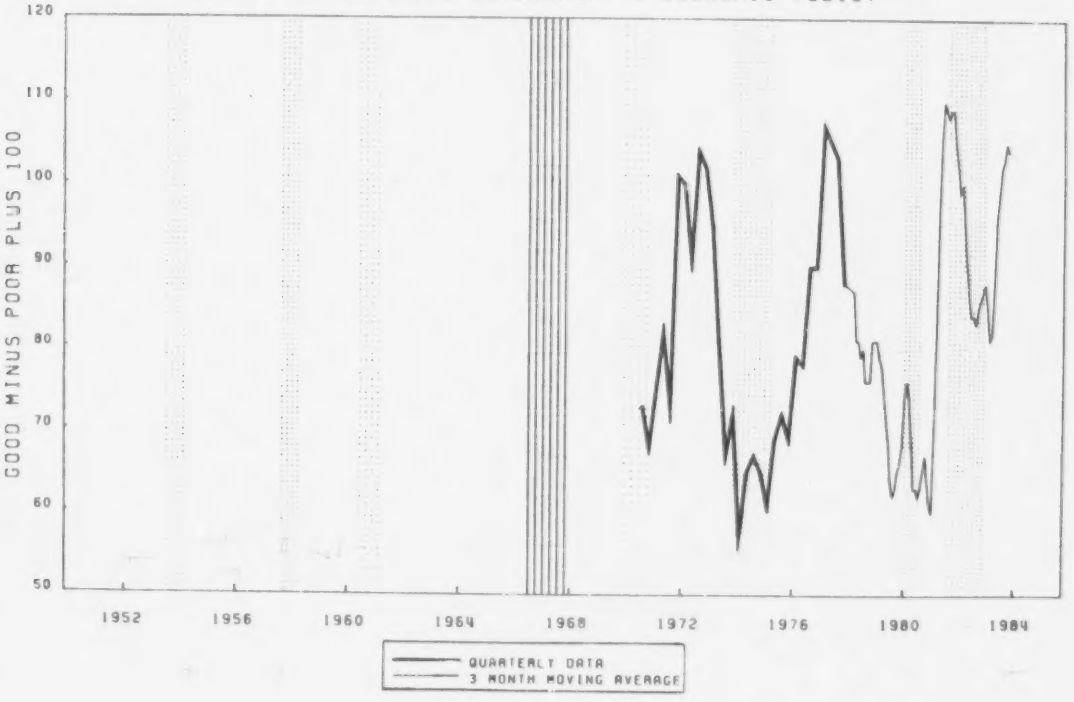


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
A GOOD JOB	21%	19%	19%	16%	16%	21%	21%	20%	23%	27%	27%	27%	25%
ONLY FAIR	41	45	47	45	40	48	53	57	52	51	48	50	50
A POOR JOB	33	33	30	37	41	29	24	21	23	21	23	21	24
DK,NA	5	3	4	2	3	2	2	2	2	1	2	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

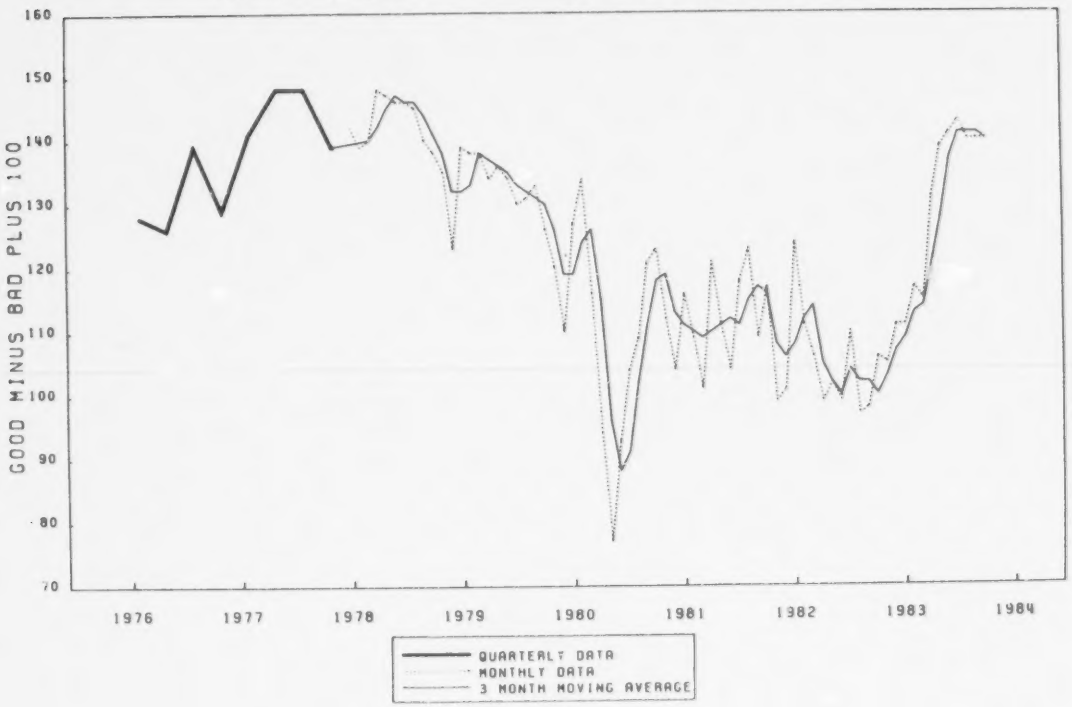


CHART 26 - HISTORICAL SERIES

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

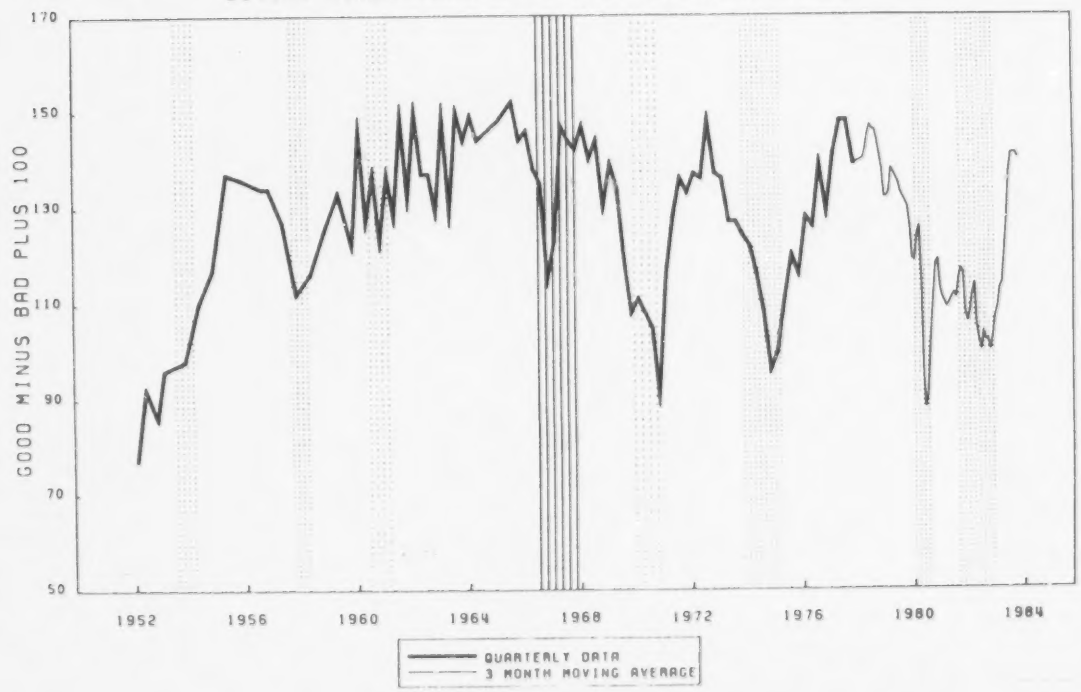


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
GOOD TIME TO BUY	46%	47%	50%	51%	54%	53%	61%	67%	66%	67%	64%	66%	65%
UNCERTAIN, DEPENDS	14	11	11	9	9	9	9	5	9	9	12	8	10
BAD TIME TO BUY	40	42	39	40	37	38	30	28	25	24	24	26	25
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

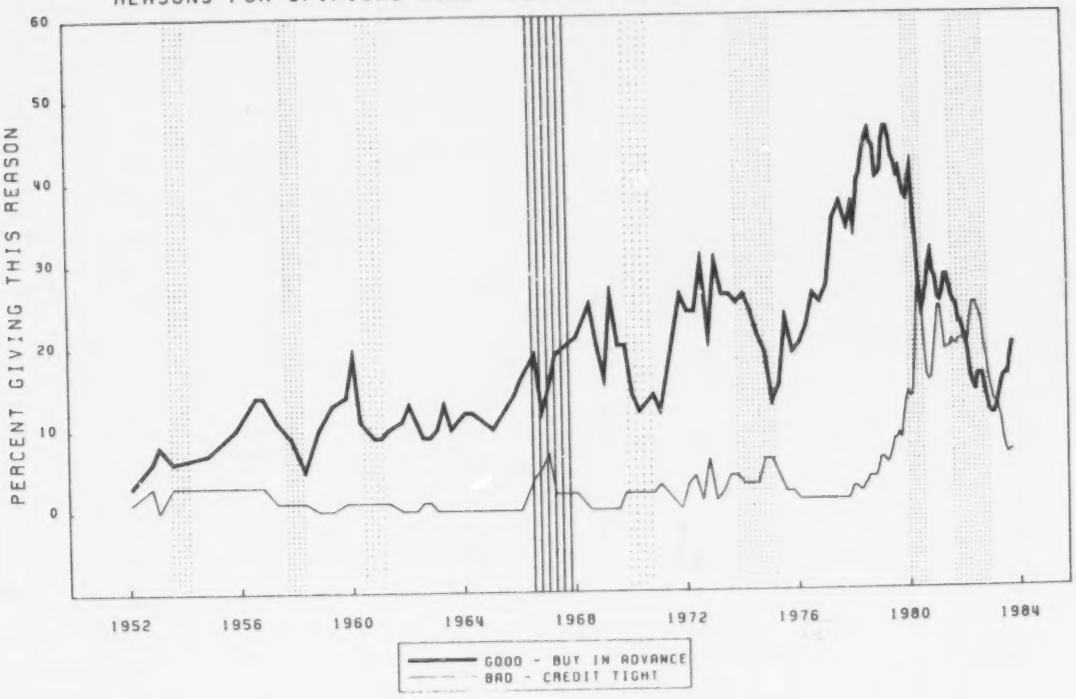


CHART 27B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

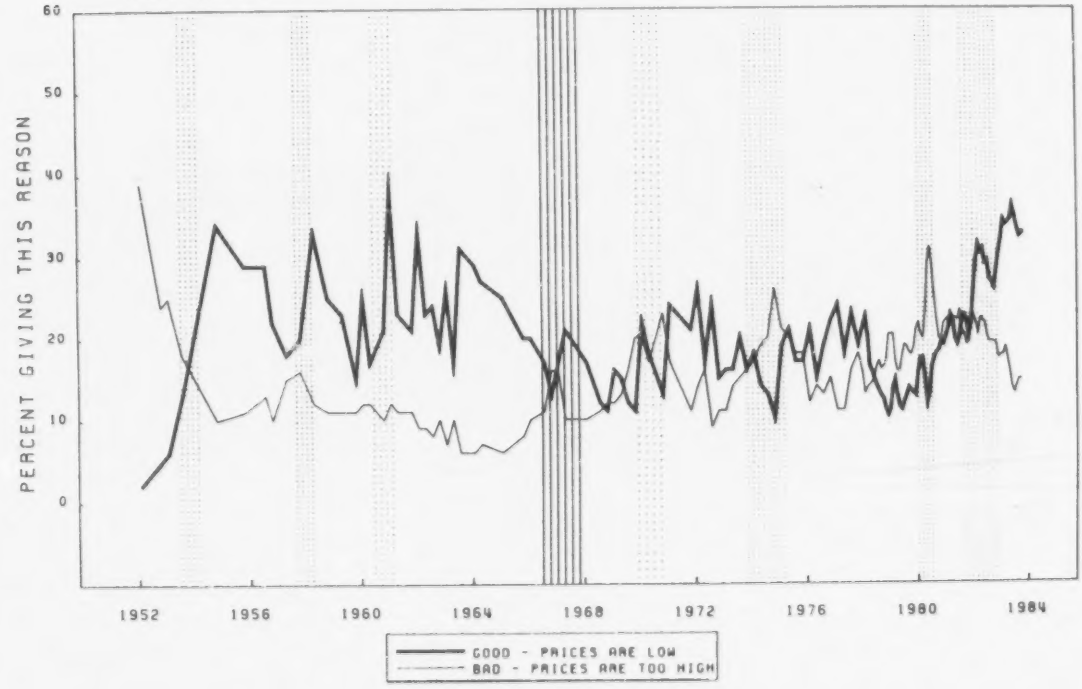


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
GOOD TIME TO BUY:													
Prices are low; good buys available	28%	31%	32%	33%	38%	30%	36%	37%	35%	32%	33%	32%	33%
Prices won't come down; are going higher	14	11	10	13	11	12	15	17	15	16	17	21	21
Interest rates low; credit is easy	5	5	8	7	8	12	14	13	16	13	12	12	7
BAD TIME TO BUY:													
Prices are high	18	18	16	19	18	19	16	12	13	14	15	15	14
Interest rates are high; credit is tight	16	17	13	12	13	13	11	8	6	7	6	7	7
Lack of purchasing power	21	24	21	22	16	18	15	16	12	9	11	11	12

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 23 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

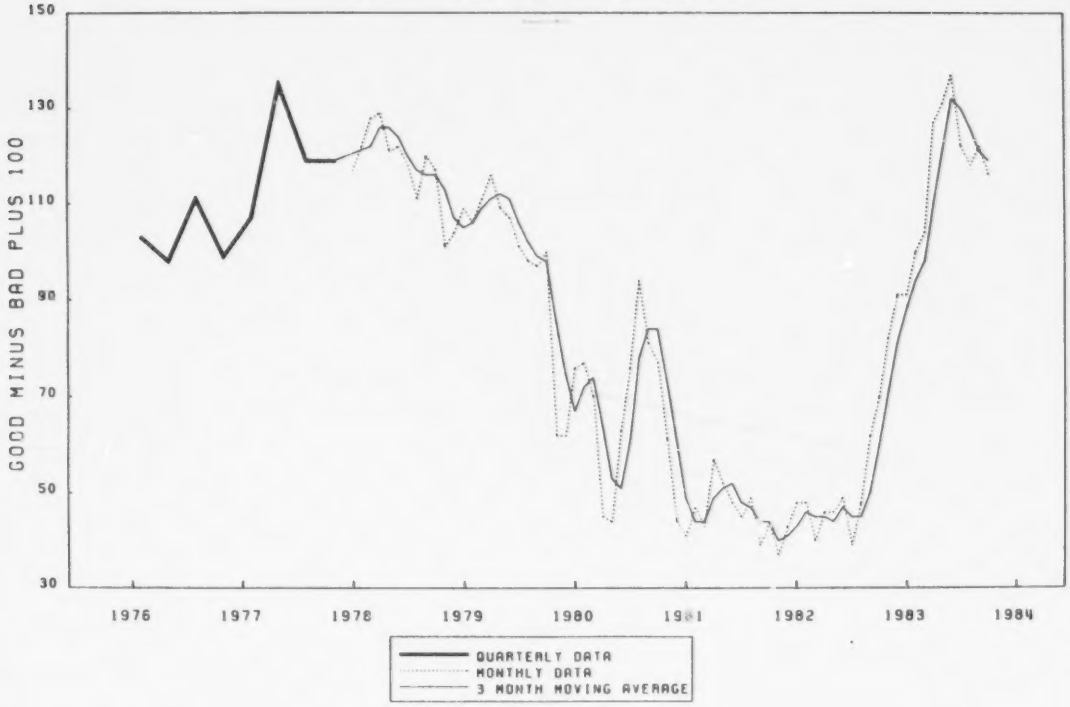


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

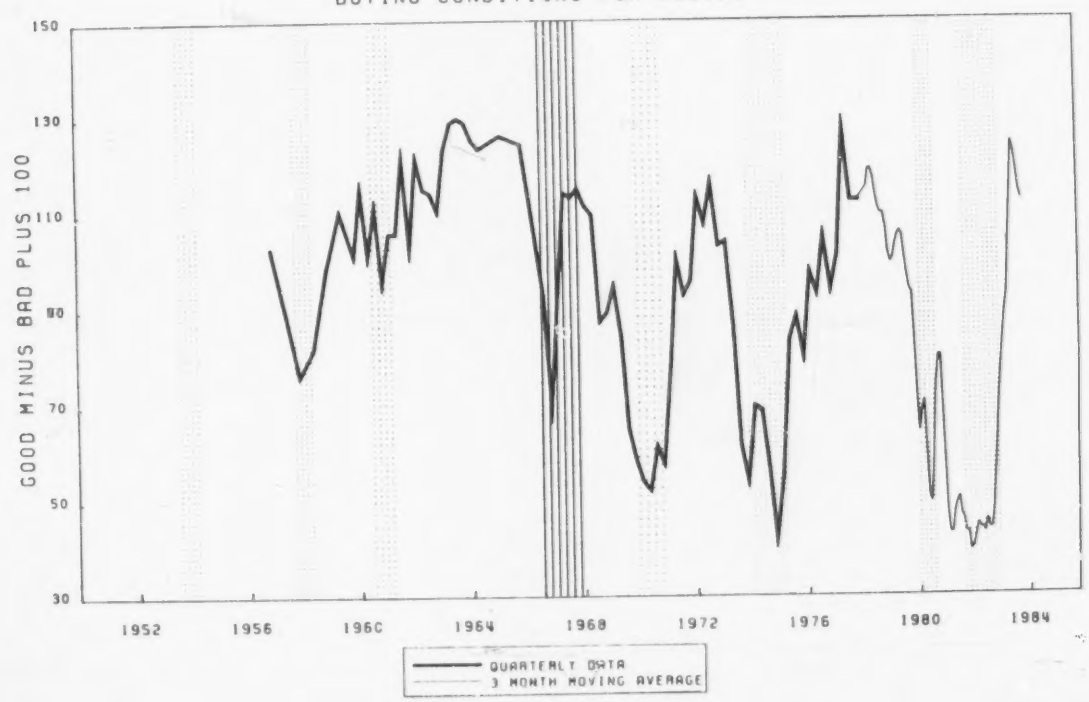


TABLE 28

BUYING CONDITIONS FOR HOUSES

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
GOOD TIME TO BUY	32%	38%	44%	44%	49%	51%	61%	64%	66%	59%	57%	59%	55%
UNCERTAIN, DEPENDS	6	6	3	3	2	2	5	3	5	4	4	4	6
BAD TIME TO BUY	62	56	53	53	49	47	34	33	29	37	39	37	39
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

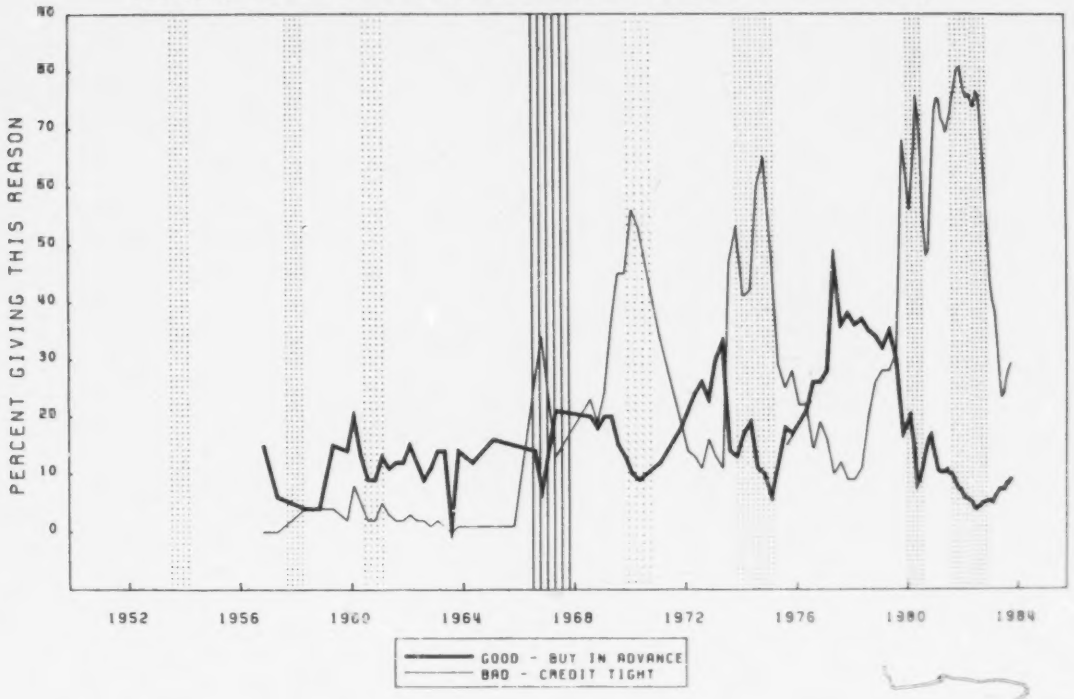


CHART 29B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

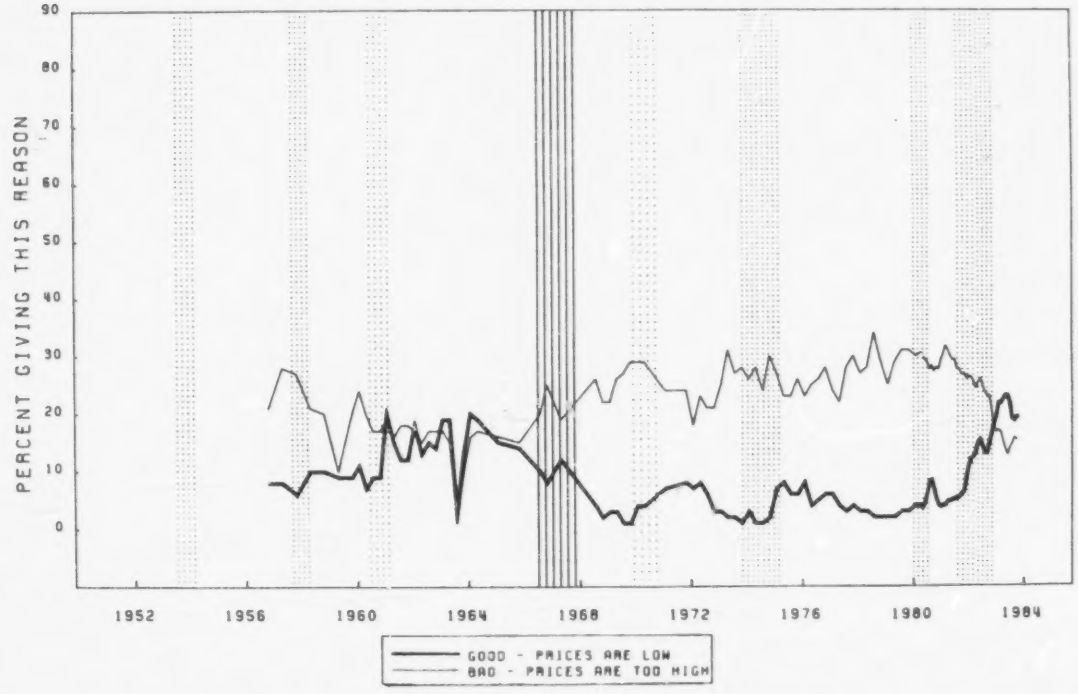


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
GOOD TIME TO BUY:													
Prices are low; good buys available	17%	17%	20%	21%	24%	20%	24%	25%	20%	20%	17%	19%	22%
Prices won't come down; are going higher	5	6	5	5	5	8	7	7	8	7	10	8	9
Interest rates low; credit is easy	23	30	35	37	40	44	54	57	61	49	44	47	38
Good investment	2	4	6	4	4	3	5	4	7	5	8	6	8
BAD TIME TO BUY:													
Prices are high	21	16	17	17	17	16	13	12	13	17	14	16	16
Interest rates are high; credit is tight	60	49	40	41	39	35	24	23	23	26	31	28	29
Lack of purchasing power	23	23	23	24	20	21	14	16	11	12	14	14	15

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

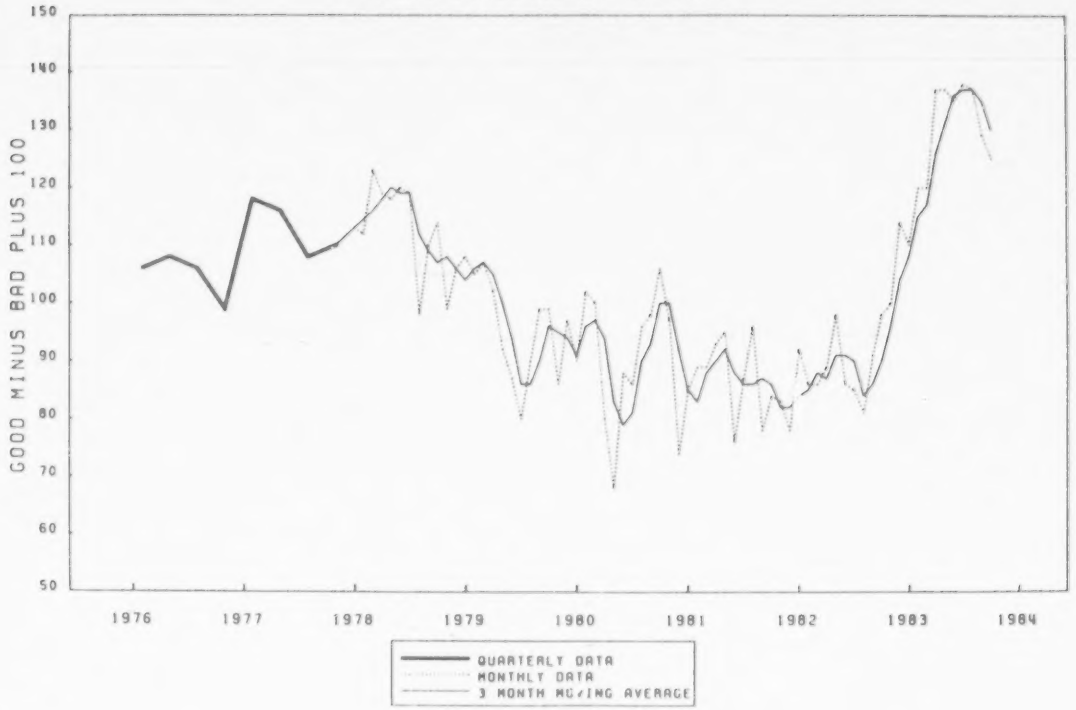


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

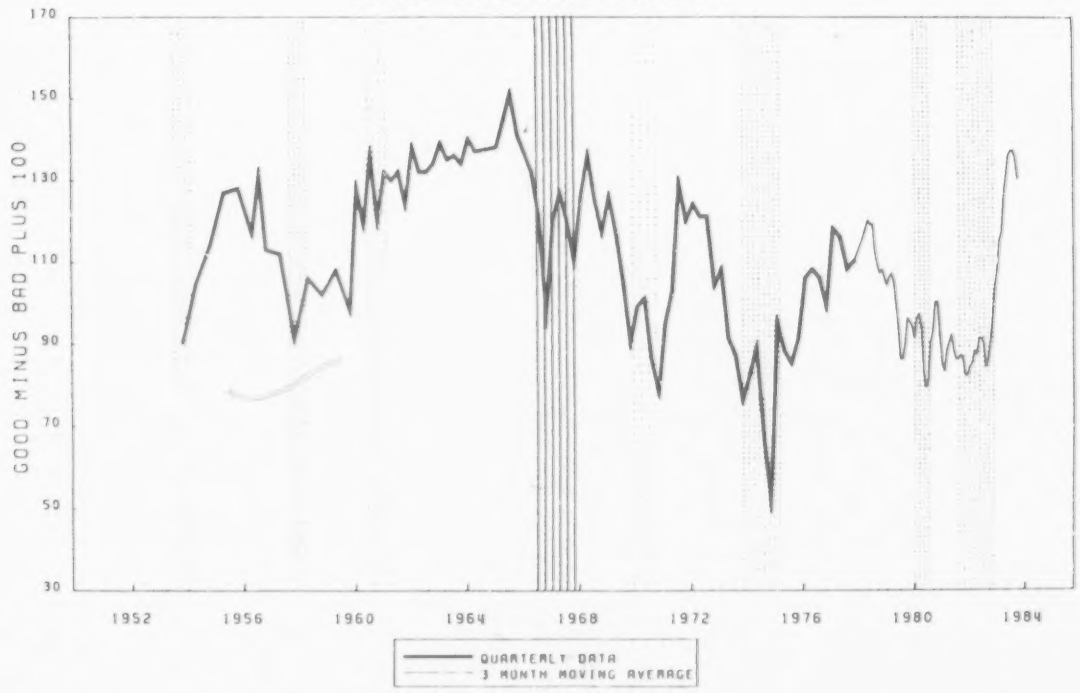


TABLE 30

BUYING CONDITIONS FOR CARS

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
GOOD TIME TO BUY	44%	46%	53%	51%	57%	56%	66%	66%	63%	65%	65%	61%	59%
UNCERTAIN; DEPENDS	10	8	8	8	6	8	5	5	9	8	7	7	7
BAD TIME TO BUY	46	46	39	41	37	36	29	29	28	27	28	32	34
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

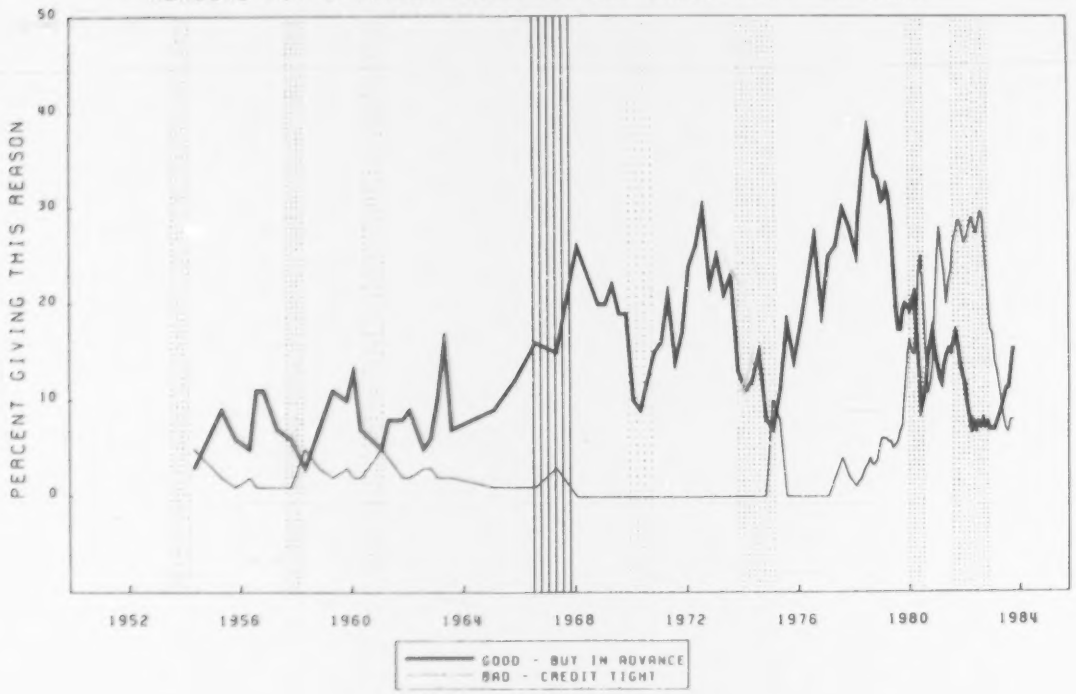


CHART 31B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

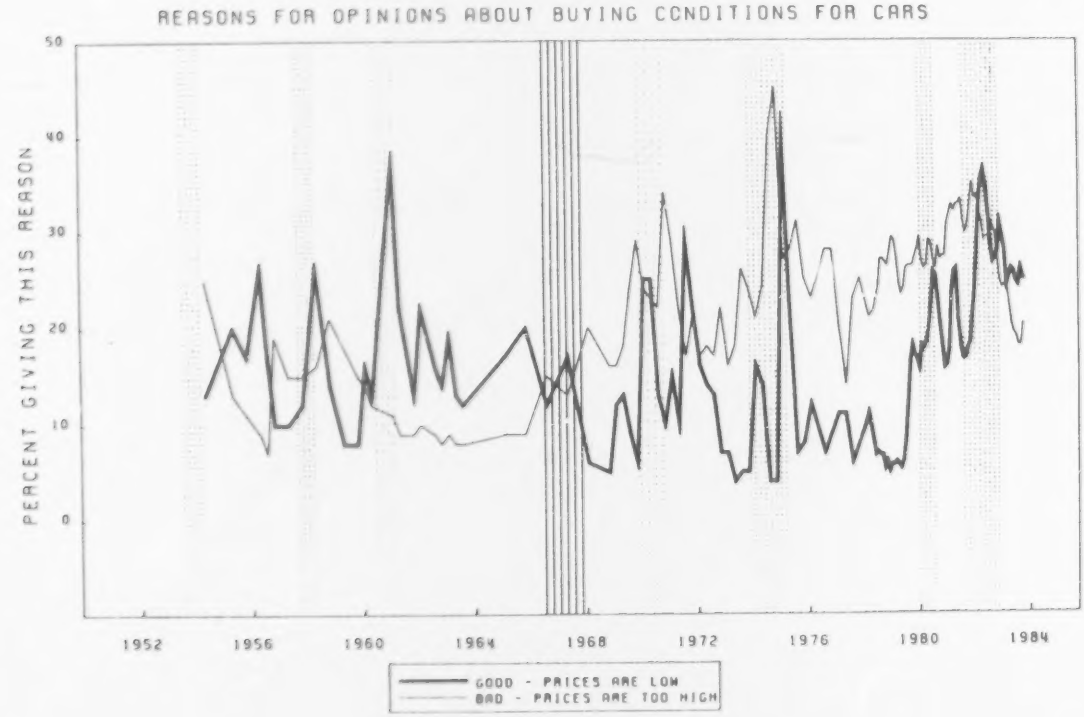


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
GOOD TIME TO BUY:													
Prices are low; good buys available	29%	28%	35%	25%	24%	24%	28%	26%	23%	25%	25%	28%	22%
Prices won't come down; are going higher	7	8	6	7	8	8	8	12	11	11	12	17	17
Interest rates low; credit is easy	11	20	27	29	35	34	40	40	40	37	33	28	19
New fuel efficient models	1	1	1	2	1	2	2	*	1	2	1	2	2
BAD TIME TO BUY:													
Prices are high	26	25	23	24	26	23	19	19	20	18	16	20	25
Interest rates are high; credit is tight	19	19	14	18	10	11	11	7	6	8	6	10	8
Lack of purchasing power	14	15	13	12	12	10	7	7	7	7	9	6	8
Price of gas; shortages	*	1	1	1	*	*	*	1	1	*	1	*	*
Poor selection; quality	7	7	7	6	5	5	5	5	6	5	4	4	6

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

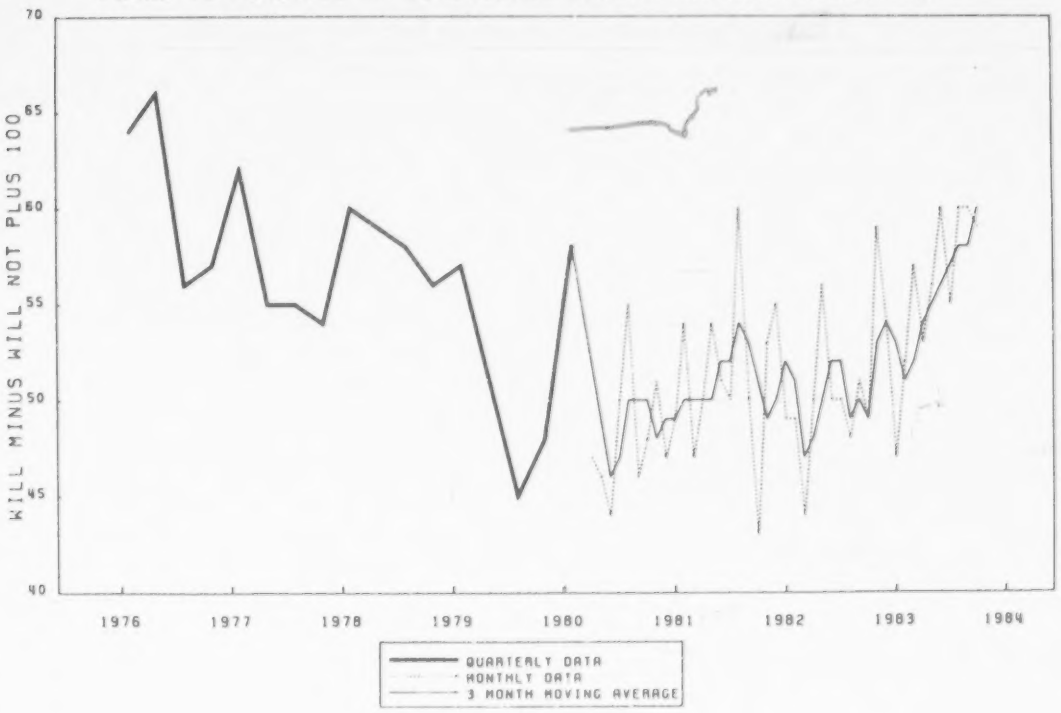


CHART 32 - HISTORICAL SERIES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

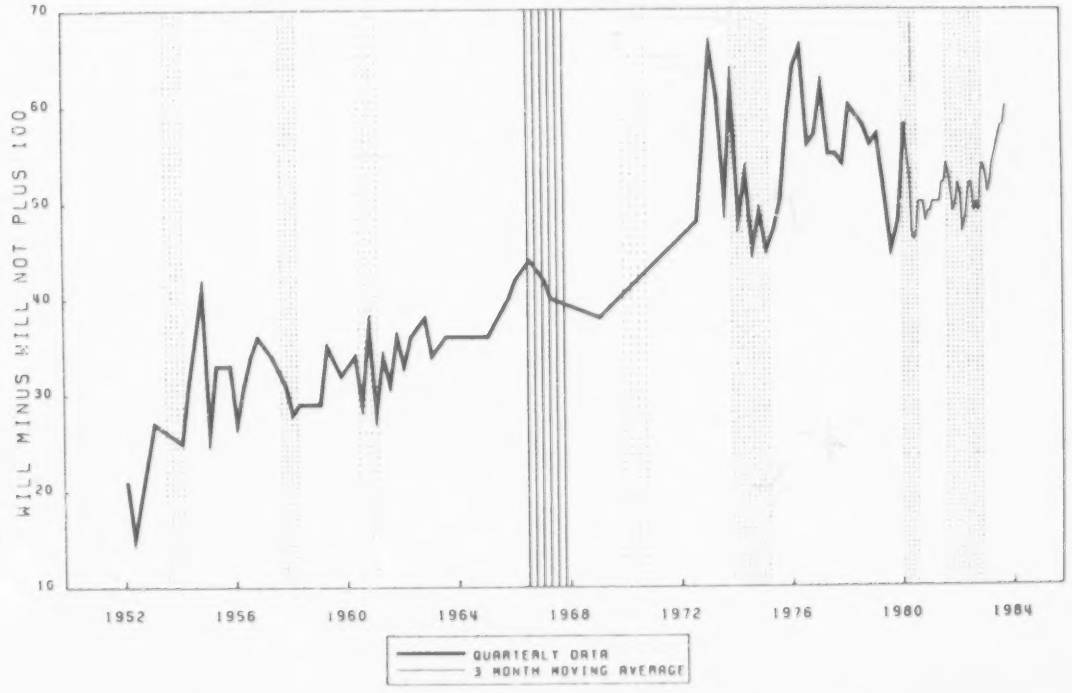


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEYT 12 MONTHS

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
PROBABLY WILL BUY	16%	21%	20%	15%	17%	20%	17%	17%	22%	18%	21%	21%	21%
CHANCES ARE EVEN	7	8	8	7	8	7	9	9	7	6	7	9	8
PROBABLY WILL NOT BUY	67	62	66	68	65	63	64	61	62	63	61	61	62
DK,NA	10	9	6	10	10	10	10	13	9	13	11	9	9
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	682	682	682	709	696	707	700	714	680	673	704	689

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	23%	29%	28%	22%	25%	27%	26%	26%	29%	24%	28%	30%	29%
PURCHASE TYPE:													
Buy new	11	11	15	10	12	13	14	12	13	11	15	13	17
Buy used	11	15	10	10	11	12	11	11	13	11	11	14	9
Lease	1	2	2	1	1	1	*	2	2	1	1	1	2
DK,NA	*	1	1	1	1	1	1	1	1	1	1	2	1
PURCHASE TIMING:													
Next 3 months	4	4	2	3	3	1	6	2	1	4	5	2	6
Next 4-6 months	5	6	6	6	6	7	6	7	10	6	4	7	8
Next 7-9 months	5	8	6	4	7	9	7	8	8	3	5	5	8
10 months or more	5	7	7	4	5	6	2	4	4	6	7	9	4
DK,NA	4	4	7	5	4	4	5	5	6	5	7	7	3

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	67%	62%	66%	68%	65%	63%	64%	61%	62%	63%	61%	61%	62%
PURCHASE TYPE:													
Would buy new	39	34	40	36	34	31	38	36	37	37	33	33	33
Would buy used	27	26	24	30	29	31	25	24	24	24	27	27	29
DK,NA	1	2	2	2	2	1	1	1	1	2	1	1	*
PURCHASE TIMING:													
Less than 2 years	5	7	7	8	8	6	8	7	6	8	6	8	6
2 years	23	22	22	23	19	20	22	24	20	23	21	22	20
3 years	11	8	10	10	10	11	12	10	10	9	9	10	11
4 years or more	19	18	17	21	20	21	16	18	21	18	18	15	19
Indefinite	3	2	4	2	2	1	2	1	1	2	2	2	*
DK,NA	6	5	6	4	6	4	4	1	4	3	5	4	6

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

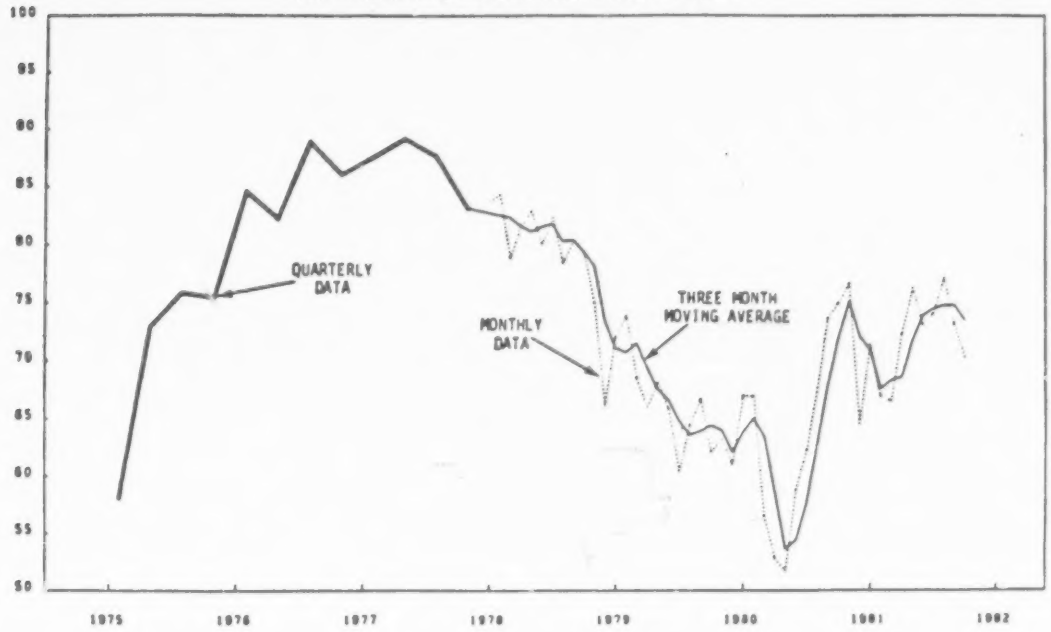
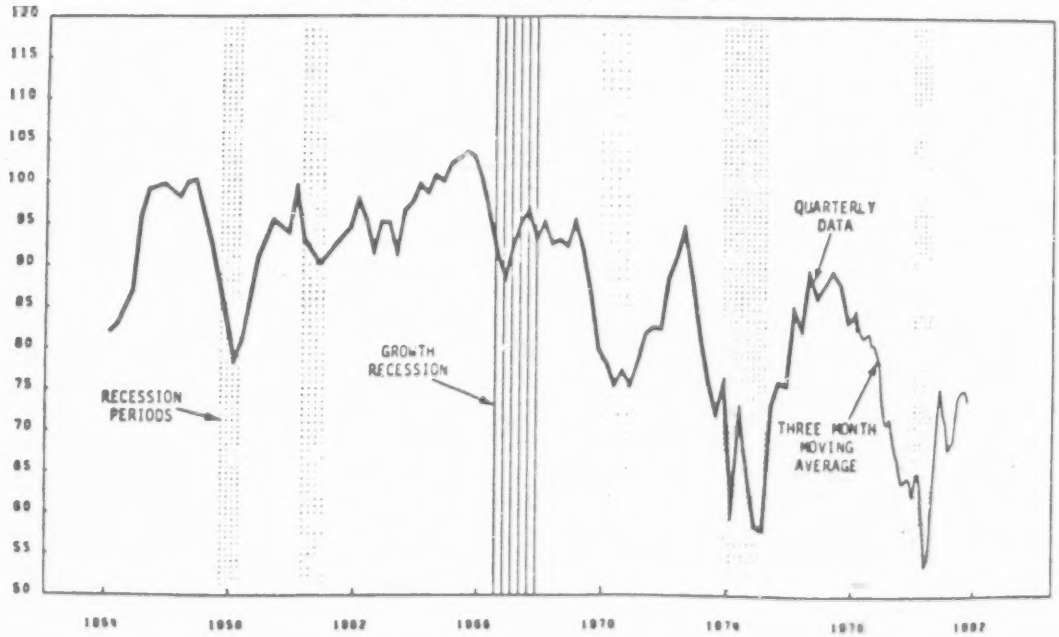


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:	November	1948	- October	1949
	July	1953	- May	1954
	August	1957	- April	1958
	April	1960	- February	1961
	June	1966	- November	1967*
	December	1969	- November	1970
	November	1973	- March	1975
	January	1980	- July	1980
	July	1981	- November	1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

[a]The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b]Average size of monthly surveys.

[c]Average size of two monthly surveys.

[d]Average size of three monthly surveys (one quarter).

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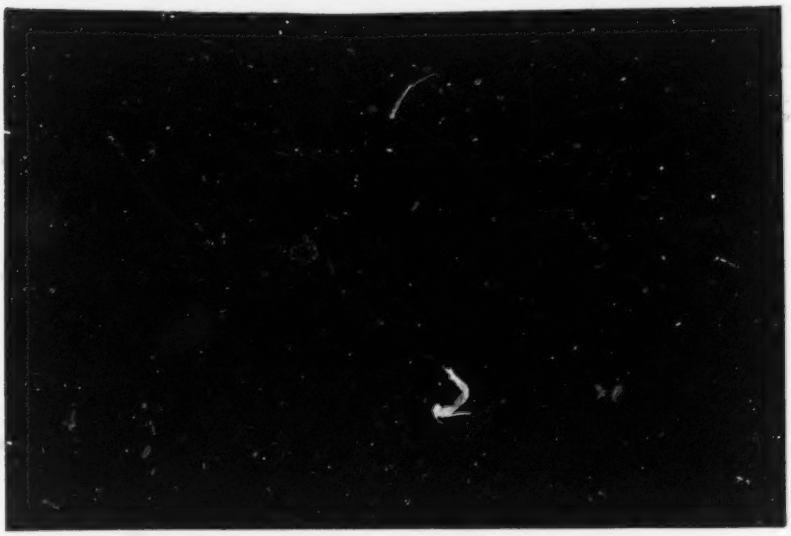
SURVEYS OF CONSUMER ATTITUDES



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